

Jan '48

# Social Security Bulletin

January 1948

Vol. 11

No. 1

•

*Social Security: Excerpts From  
the President's Messages*

*Higher Educational Institutions and  
Social Security*

*Old-Age and Survivors Insurance  
for Agricultural and Domestic Workers  
and the Self-Employed*

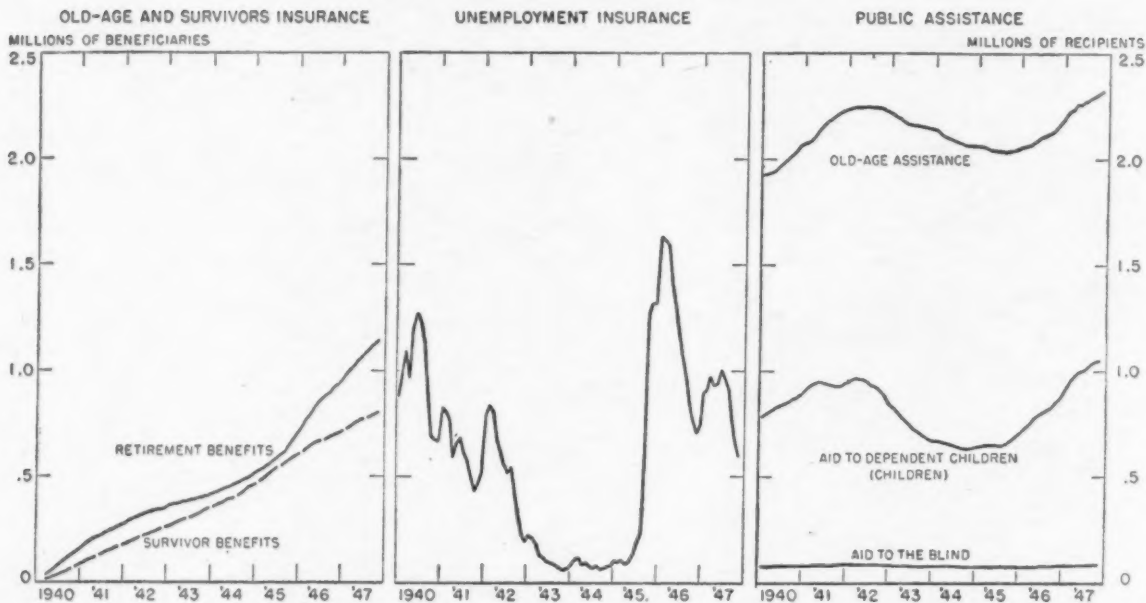
FEDERAL SECURITY AGENCY

SOCIAL SECURITY ADMINISTRATION

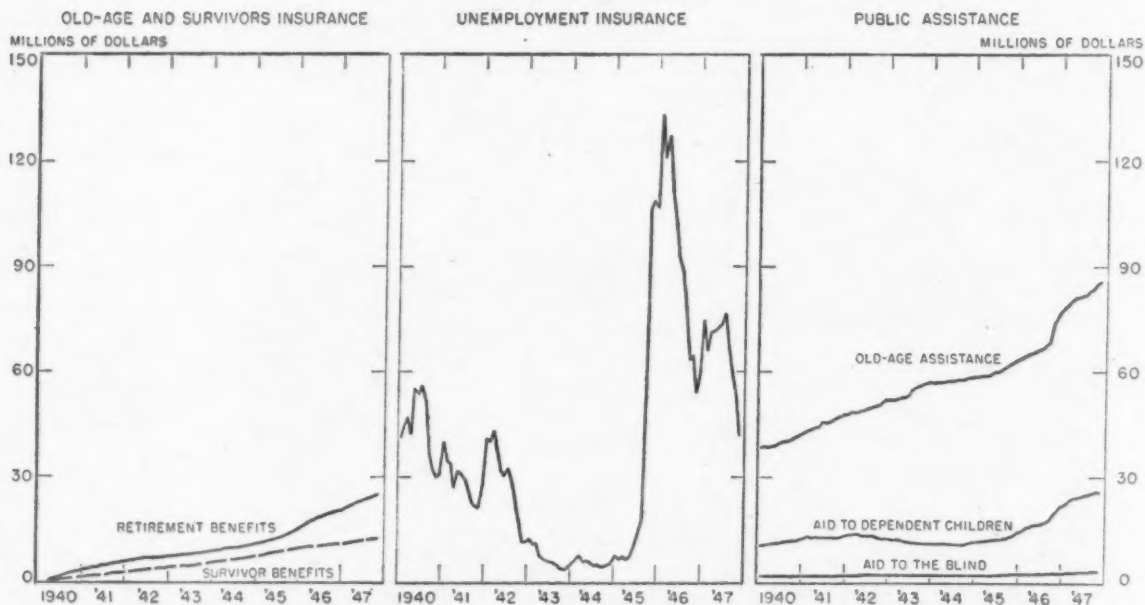
WASHINGTON, D. C.

# Social Security Operations \*

## INDIVIDUALS RECEIVING PAYMENTS



## SOCIAL SECURITY PAYMENTS



\* Old-age and survivors insurance, beneficiaries actually receiving monthly benefits (current-payment status) and amount of their benefits during month; unemployment insurance, average weekly number of beneficiaries for the month and gross benefits paid during the month under all State laws; public assistance, recipients and payments under all State programs.







# Social Security Bulletin

Volume 11

January 1948

Number 1

## Social Security in Review

Number of claims for unemployment insurance benefits in the weeks ended November 22 and December 20, 1947, in selected States

### The Month of December

Nonagricultural employment in December rose to a new all-time high of 51.0 million, while unemployment remained close to the November level of 1.6 million. Industrial production—principally steel-ingot production—continued at a very high rate. Motor-vehicle production reached a new postwar high of 120,657 units during the week of December 20 but then dropped significantly in the following week because of change-over to new models. In general, wholesale commodity prices advanced somewhat during the first 3 weeks of December, while the index of food prices remained about the same. The index of wholesale food prices was 178 on December 20 as compared with 179 on November 22. Department-store sales for the first half of December were 8 percent more than the dollar value of sales in the corresponding period of 1946; in terms of unit volume, however, Christmas sales were estimated to be slightly below 1946 sales. Department-store inventories have also increased in recent months, and the dollar value of current stocks is above that of a year ago.

The weekly volumes of unemployment insurance claims received in local offices were affected to a great extent by the holidays in the past 2 months, but the monthly figures reflect increases in both initial and continued claims from November to De-

cember. On a national basis, initial and compensable claims each increased by about 2 percent from the week ending November 22 to that ending December 20.

The number of waiting-period claims increased 9 percent during the same period. The increases were not general among the States, however. Lower compensable claims loads were reported in 5 of the 10 industrial States shown in the accompanying tabulation.

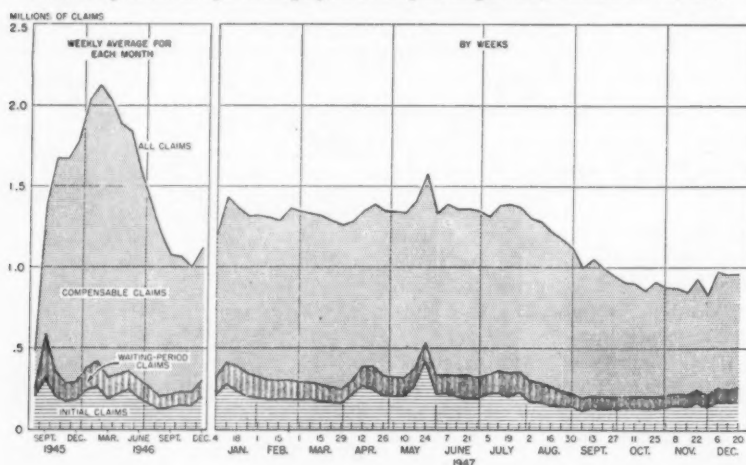
State	Initial claims		Waiting-period claims		Compensable claims	
	Nov. 22	Dec. 20	Nov. 22	Dec. 20	Nov. 22	Dec. 20
N. Y.	45,605	46,769	28,776	27,114	164,428	140,522
Calif.	26,057	25,034	9,530	11,269	98,880	115,166
Pa.	10,111	10,743	3,994	4,822	44,220	42,804
Mass.	7,773	8,243	2,920	4,177	34,213	34,429
Ill.	7,378	8,161	2,748	2,937	37,814	37,911
Mich.	8,417	6,984	2,474	1,741	27,941	26,276
N. J.	7,449	8,741	3,950	4,534	41,216	41,175
Ohio.	3,820	3,938	4,747	5,159	18,454	19,168
Mo.	3,552	3,505	2,142	2,159	14,763	16,324
Tenn.	1,805	1,747	1,380	1,544	16,432	16,097

### In this issue:

	Page
<b>SOCIAL SECURITY IN REVIEW:</b>	
The month of December.....	1
November in review.....	2
<b>A COMPREHENSIVE SOCIAL SECURITY PROGRAM: EXCERPTS FROM THE PRESIDENT'S MESSAGES.....</b>	<b>3</b>
<b>HIGHER EDUCATIONAL INSTITUTIONS AND SOCIAL SECURITY, by Dorothy F. McCamman.....</b>	<b>5</b>
<b>OLD-AGE AND SURVIVORS INSURANCE FOR AGRICULTURAL AND DOMESTIC WORKERS AND THE SELF-EMPLOYED.....</b>	<b>11</b>
<b>EMPLOYMENT SECURITY:</b>	
Unemployment claims and benefits.....	14
State programs.....	14
Veterans' unemployment allowances.....	15
Nonfarm placements.....	17
<b>OLD-AGE AND SURVIVORS INSURANCE:</b>	
Applicants for account numbers, July-September 1947.....	18
Estimated number of workers with permanently insured status on January 1, 1948.....	19
Monthly benefits in current-payment status, November 1947.....	20
<b>PUBLIC ASSISTANCE:</b>	
State and local expenditures for assistance in relation to income payments.....	20
Public assistance terms.....	24
<b>SOCIAL AND ECONOMIC DATA:</b>	
Social security and other income payments.....	26
Personal income.....	26
Social insurance and related payments.....	28
Trust fund operations during 1947.....	28
<b>RECENT PUBLICATIONS.....</b>	<b>33</b>

Week ended—	Initial claims	Waiting-period claims	Compensable claims
November 22.....	166,636	82,193	678,515
November 29.....	138,273	79,390	619,955
December 6.....	171,779	88,285	712,599
December 13.....	172,565	86,954	696,935
December 20.....	170,336	89,784	689,352

Number of claimants for unemployment benefits, August 1945–December 20, 1947



### November in Review

As industrial production and employment remained at high levels during November, claims filed for unemployment insurance under the State systems declined.

Continued claims hit a new postwar low of 2,848,000 as 38 States, including all those east of the Mississippi River, reported fewer claims. The end of the steel shortage in Michigan and the return to work of some 30,000 employees in the State's automobile plants brought about the decline in the total number of initial claims filed. In most other States, however, initial claims rose slightly with the seasonal lay-offs in the lumbering and construction industries and garment trades and the end of the harvesting and food-processing seasons. Bene-

fit expenditures dropped at a faster rate from October to November than in the 3 preceding months, and the average weekly number of beneficiaries also declined. Payments amounted to \$41.7 million, and the average weekly number of beneficiaries was 593,400.

SOME 11.6 MILLION WORKERS had been in covered employment long enough on January 1, 1948, to be permanently insured under the old-age and survivors insurance program, according to preliminary estimates. These workers—1 in every 3 fully insured workers—may continue in covered employment, or they may leave it. In either case they are eligible for benefits at age 65 or, if they die, their families will be eligible for survivor benefits. Some 875,000 of these work-

ers have already retired and are now receiving benefits.

Benefits under the program were being paid at a monthly rate of \$37.7 million to almost 2 million persons at the end of November. Some 42,000 benefits were awarded during the month—fewer than in any other month in 1947 and 26 percent less than the record number awarded in October.

IN PUBLIC ASSISTANCE the number of recipients of aid to dependent children and the amount of payments dropped in November, for the first time since July 1945, as the result of changes in one State. Declines of 16 percent in the number of families aided in Oklahoma and of 34 percent in payments outweighed the rise of 0.8 percent in case load and 0.9 percent in payments in all other States combined. Inadequacy of funds in Oklahoma resulted in a change in the proportion of need met by aid to dependent children. Under this new policy, assistance plus income from other sources cannot exceed 40 percent of the requirements of families aided. Assistance was discontinued, therefore, for families whose other income met as much as two-fifths of their minimum requirements. Other cases were closed under tightened policy regarding support from relatives.

The number of recipients of each of the other types of assistance increased slightly. The 0.4-percent drop in payments of general assistance may be explained by the smaller number of payment periods in November than in October in some States.

## A Comprehensive Social Security Program: Excerpts From the President's Messages

IN HIS MESSAGES to the Eightieth Congress on the state of the Union and on the budget, and in his second Economic Report, President Truman again expressed his conviction of the necessity for rounding out our social security system. Benefits under unemployment insurance and old-age and survivors insurance should be increased, he told Congress, and both programs should be extended to the "millions who are not now protected." Moreover, a national health program, keyed to a system of prepaid medical care, should be established. "Lack of adequate provision for the Nation's health," the President said, constitutes the "greatest gap in our social security structure."

### State of the Union Message

In his message on the state of the Union, which he read to Congress on January 7, the President outlined a 5-point program for American action during the next 10 years. "I propose," he said, "that we look ahead today toward those goals for the future which have the greatest bearing upon the foundations of our democracy and the happiness of our people. . . Year by year, beginning now, we must make a substantial part of this progress."

The second of these "goals for the future" was defined by the President as the protection and development of our human resources. "The safeguarding of the rights of our citizens"—the first goal cited—"must be accompanied by an equal regard for their opportunities for development and their protection from economic insecurity. In this Nation the ideals of freedom and equality can be given specific meaning in terms of health, education, social security and housing."

"Over the past 12 years we have erected a sound framework of social security legislation. Many millions of our citizens are now protected against the loss of income which can come with unemployment, old age, or the death of wage earners. Yet our system has gaps and inconsistencies; it is only half finished.

"We should now extend unemployment compensation, old-age benefits, and survivors' benefits to millions who are not now protected. We should also raise the level of benefits."

"The greatest gap in our social security structure is the lack of adequate provision for the Nation's health. We are rightly proud of the high standards of medical care we know how to provide in the United States. The fact is, however, that most of our people cannot afford to pay for the care they need."

"I have often and strongly urged that this condition demands a national health program. The heart of the program must be a national system of payment for medical care based on well-tried insurance principles. This great Nation cannot afford to allow its citizens to suffer needlessly from the lack of proper medical care."

"Our ultimate aim must be a comprehensive insurance system to protect all our people equally against insecurity and ill health."

Because these programs for health and social security and our educational program are of "such great importance to our democracy," the President said in urging immediate action, an executive department for their administration should be established now.

### Budget Message

The President's message on the budget for the fiscal year 1948-49, which went to Congress on January 12, called for expenditures, excluding trust accounts, of \$2,028 million for promoting the Nation's social welfare, health, and security. The programs now in operation under the Social Security Act would take almost half this total; another \$100 million would be assigned for the development of a general public welfare program, and \$15 million, for initial administrative costs of a national health program, which would include medical care insurance.

We now have, the President said, "a tried and successful framework within

which to construct an integrated, comprehensive system providing for all citizens some protection against the major economic hazards of our society. We have made real progress toward our objective, but it is still far from realized."

"From time to time I have proposed measures which, taken together, would complete our present system to a substantial degree, and would provide protection increasingly on a social insurance basis. I intend shortly to discuss this legislative program in a special message to the Congress. Some of the proposals would have immediate fiscal effects, and I have accordingly included estimates for the following items:

**"Old-age and survivors insurance.**—Extension of coverage to all gainful workers, including agricultural and domestic employees, farmers, and other self-employed persons. Increases in individual benefit amounts and in the maximum amount of earnings taxable.

**"Health program.**—Provision of a national system of health insurance and improved services and facilities for public health and medical care.

**"Unemployment compensation.**—Extension of coverage to employees of small businesses and as many other groups as feasible.

**"Public assistance.**—Broadening of Federal aid to include general assistance, and allotment of Federal grants for public assistance so as to relate them to the financial resources and needs of each State.

"Other proposals, such as temporary and permanent disability insurance benefits, would not affect estimates for the fiscal year 1949."

The proposed revision of public assistance and initial administrative costs of the medical care program would come from general revenues. The other proposals would be self-financed through trust accounts.

Broader coverage under old-age and survivors insurance would be financed "by extending the pay-roll tax at the rates provided by present law to the newly insured persons and their employers. These old-age pay-roll tax collections would suffice for several years to finance more liberal benefits

for both present and prospective beneficiaries.

"The estimates for the health insurance program assume a total initial pay-roll tax of one-half of 1 percent of individual salaries up to \$4,800 a year, effective January 1, 1949, to furnish a basis for establishing eligibility for benefits and to build up an operating reserve. After a year or two of accumulation at this low rate, the permanent contribution rate would go into effect and the system would begin to provide benefits on a basis which is mainly self-financing.

"The recommended broadening of social insurance would increase both the receipts and expenditures of the trust accounts over what they otherwise would have been. For the immediate future, however, these increases would be greater in pay-roll contributions than in benefits. This net accumulation is useful at this time as an anti-inflation measure."

### *Economic Report*

As in his first Economic Report, the President, in his second annual Economic Report, transmitted to Congress January 14, stressed both short-range and long-range objectives; in both reports, he emphasized the development of welfare, health, and security programs as essential long-range objectives. "We have learned that those programs which make people healthier and more secure," he said, "also make them more efficient. In this light, the educational and health and social security programs which were once thought of as purely 'social' take on a deep economic significance."

As the first objective for 1948 the President listed the arrest of the inflationary trend; the second main objective "should be to maintain maximum employment, achieve maximum production, and adjust the price-income structure so as to stop the inflationary spiral without production cutbacks or extensive unemployment."

The third main goal for 1948—firmer foundations for the long-range growth and prosperity of our economy in the years ahead—demands carefully considered and well-directed efforts toward "three major purposes: conserving and developing our natural re-

sources and capital equipment, enabling our human resources to become fully productive and thus provide richer and more satisfying lives, and improving our economic institutions and practices so as to utilize free enterprise and representative government effectively toward maximum production and sustained general prosperity."

Social security and health and educational services are basic to the achievement of the second major purpose—development of human resources and productivity. "Within 10 years," the President pointed out, "maximum employment will mean 64 million jobs or more." We need improved services in these three fields if we are "to raise the individual to the highest practical level of productivity, and to provide an outlet for the increasing part of the labor force which technological changes may displace from the mass-production industries or from agriculture."

For education, the President recommended as the first step, "which should not be deferred," Federal aid for elementary and secondary education "to help remedy the deplorable shortages and the maldistribution of school facilities and teachers." Federal aid should also be extended to research work "both in basic principles of natural and social science and in their practical application."

The connection between the economic objective of maximum production and the humanitarian objective of improved well-being can be seen from a study of health records, the President said. "With the labor force at its present size, the annual cost of illness, long-term disability and accidents is about 3.5 million man-years. . . . Our goal should be the establishment of safe working conditions and an increase in the physical standards of the whole population."

"This problem has economic aspects, not only because health standards below the maximum attainable reduce productivity, but also because the lifting of these standards requires economic measures which remove the incapacity of many communities to support and of millions of individuals to purchase adequate medical care." For these reasons, the President again

urged the enactment of a comprehensive national health program, including prepaid health insurance and aid to hospitals and health centers.

The third factor in the long-range program of developing human resources and productivity is social security. "No matter how stable a particular business, industry, or region may be, it can rarely avoid unemployment in the event of a serious depression. A national policy of vigorously promoting maximum employment will be the longest step toward the sense of individual security which is conducive to high productivity." Supplementing this national policy, there should be planning by individual firms and industries for the stabilization of their own activities. Training programs, an adequate and efficient public employment service, and other improvements of the labor market can all play their part, also. For those who will be temporarily unemployed despite our best efforts, unemployment insurance is available. Benefits should be increased in amount and duration, however, the President declared, and coverage of the system should be extended.

Maximum employment and production cannot be maintained, Mr. Truman added, "when men and women are discriminated against because of race or color, creed or national origin. An effective system which will assure fair employment practices should be established."

Parallel with job security is old-age security. "The retirement problem has economic as well as social aspects. Those who have withdrawn from productive activity because of age continue to require goods and services, and to make expenditures which flow into the general income stream. A systematic national program which provides for regularity and certainty in the basic income of those who have retired is a more efficient economic policy than the haphazard treatment of this problem which preceded the establishment of old-age insurance. Such a system has the further advantage that it helps to regularize the saving habits of workers during their productive years.

"There are now more than 10 million people in the United States, about



8 percent of the total population, who have reached the age of 65. By 1960, about 15 million people, or about 9 percent of the population, will have reached that age. Our systems of protection against the economic hazards of old age and dependency are inadequate. There are now some 17 million jobs in which workers cannot build up wage credits for old-age retirement. The coverage of old-age and survivors insurance should be extended, and benefits should be adjusted upward with a higher limit upon earnings which may be received after retirement without loss of benefits. A lowering of the retirement age will be feasible in future years as we attain the levels of national output that sustained maximum employment and production will bring . . ."

Supplementing the two insurance programs are the public assistance programs, financed by States with the aid of Federal grants. In terms of the number of people aided and of total expenditures, the public assistance programs are now more significant than the social insurances. "About 4 million people now depend on public assistance, in part because existing social insurances, particularly old-age and survivors insurance, are deficient and because there is no national health insurance program. Expansion of social insurance will decrease the need for public assistance expenditures, but those who must still rely on public assistance should receive adequate payments. The Federal Government should make grants to States to help them finance general assistance payments, and all public assistance grants should take account of variations in the ability of the States to finance adequate assistance programs."

Pointing out that the whole question of benefits cannot be divorced from the question of the cost of the payments and how these costs are borne, the President declared that "It is of paramount importance to bear in mind that the costs of unemployment, old age, and sickness are borne by the community whether social security measures exist or not. Social security measures involve a change in the distribution of money, goods, and serv-

ices among consumers only to the extent that the existence of the measures diverts additional funds to the support of the aided groups. This diversion does occur, but the additional funds are far less than the total volume of benefits provided under the programs.

"Nevertheless, the fact that wage earners' risks are met under social security measures through payments derived from taxes rather than directly from private sources in itself

has economic implications. The social insurances are now financed by employees' contributions and employers' pay-roll taxes; the public assistance payments are financed from general revenues. Employees' pay-roll taxes place a heavy drain upon mass purchasing power while the employers' share of these taxes adds to costs of production. In financing an expanded social insurance program, these economic aspects should be considered."

## Higher Educational Institutions and Social Security

By Dorothy F. McCamman\*

*Part of the solution to present-day problems of recruiting staffs for institutions of higher education lies in providing old-age and survivorship protection that is at least as adequate as that available in other employments. An evaluation of existing protection for college and university personnel indicates that the basic social security system has an important role to play in strengthening the economic security of staff members and their families and in placing the educational institution as an employer in a more favorable competitive position.*

OF THE 1,700 higher educational institutions in the United States, about one-third are publicly controlled and two-thirds are under private or denominational control. Employment in all the publicly controlled institutions falls outside the coverage of the old-age and survivors insurance system, by reason of the Social Security Act's exclusion of service performed for Federal, State, and local governments. The private and denominational colleges and universities are predominantly nonprofit in nature, and these are also excluded from old-age and survivors insurance coverage.<sup>1</sup> To what extent, then, has this group of employees achieved, in the absence of the protection of the basic social security system, economic security against wage loss resulting from old age or death?

\*Bureau of Research and Statistics, Division of Coordination Studies.

<sup>1</sup>In a calendar quarter in 1945, a total of 105 institutions falling in the classification of junior colleges, colleges, universities, and professional schools were making reports under old-age and survivors insurance for 1,783 employees.

About 9 out of every 10 public institutions of higher education, but only three-tenths of the private institutions, now have some type of formal retirement plan for their employees. Together, the public and private institutions with plans comprise half the 1,700 universities, senior colleges, professional and technical schools, junior colleges, teachers colleges, and normal schools in the country. The institutions with plans employed 94,500 teachers in 1946, more than three-fourths of the total regular teaching staffs of all higher educational institutions. How many of these 94,500 teachers are actually protected by the retirement plans of their schools is not known. Some individuals may have elected to stay outside the coverage of systems that provide for voluntary participation; others may not have met the age or service requirements set up for participating members. Also unknown is the exact extent to which the administrative personnel of educational institutions and the nonprofessional staff members (clerks, maintenance

workers, and custodians) have been afforded protection against dependency caused by old age and death. In private colleges especially, most plans are for faculty members exclusively.

To ensure that proposals or legislative action toward extending old-age and survivors insurance coverage may be based on adequate knowledge of the current situation, the Social Security Administration has been assembling data on plans now in operation for the retirement and survivorship protection of employees of higher educational institutions. This article summarizes available information on existing provisions and discusses briefly the role the basic social security system might play in increasing the protection of this group. No measurement is included in this analysis of protection which these employees can purchase or have purchased through private channels or of protection provided by the institution through informal arrangements.

### Existing Protection

A brief explanation of the method used in developing the estimate of the number of teachers in institutions with plans may aid in the understanding and proper use of the figures. The estimates shown in table 2, originally prepared by the Office of the Actuary and the Division of Coordination Studies, Bureau of Research and Statistics, for use of the President's Commission on Higher Education, have been refined for inclusion in this article.

In general the 1947 *World Almanac* was used as the source for data on the number of teachers employed by institutions of higher education. That volume lists information on each institution included in the 1945-46 Educational Directory of the Office of Education (Part 3, Colleges and Universities). The Almanac data are "from questionnaires returned by the institutions in the year 1946." The questionnaires were mailed out early in June, with a follow-up in mid-August. It is probable, therefore, that most institutions have used the school year 1945-46 in reporting the number of teachers; for convenience, the period to which the estimate relates is referred to as "1946." The Almanac data on number of teachers exclude summer or extension staff teachers as

well as all staff members engaged solely in administration; for colleges and universities, teachers are defined as those "for the regular courses leading to degrees." Adjustment of the figures in the Almanac was made in the case of junior colleges for which the number of teachers reported was out of line with the enrollment; in such cases it was assumed that teachers dividing their time between high school and junior college classes had been included.

Information in the files of the Social Security Administration, publications of the National Education Association, and lists made available by the Teachers Insurance and Annuity Association (referred to hereafter as the TIAA) were used in determining which institutions have retirement plans. The Educational Directory was used in identifying the institutions to which State-wide public retirement laws applied, and in classifying institutions as public or private and by type.

No measurement of the number of college and university employees who actually have retirement protection can be made on the basis of data now available. Even the total number of employees of such institutions can be gauged only roughly. Using the Almanac data as a base, it is estimated that the number of teachers (excluding summer or extension staff teachers) employed by higher educational institutions in 1946 was in the neighborhood of 120,000 to 125,000.<sup>2</sup> The

<sup>2</sup> The Almanac reports a total of 119,123 teachers at higher educational institutions, as follows: 99,194 teachers at 825 "senior colleges," 9,771 teachers at 217 teachers colleges and normal schools, and 10,158 teachers at 442 junior colleges. A high proportion of the 1,045 university, senior college, and professional and technological schools listed in the Educational Directory do not appear in the Almanac list of senior colleges. The institutions not included in the Almanac are predominantly private or denominational professional schools, of which the Directory lists more than 200. Inasmuch as such institutions have small staffs, on the average, adjustment of the Almanac total would probably not raise the number of teachers at colleges, universities, and professional schools to more than 104,000 or 105,000. If the junior college total is reduced to 8,000 to take account of teachers occupied primarily with high-school classes, the estimated total of teachers at higher educational institutions would be 122,000 to 123,000.

Biennial Survey of Education for 1943-44, with data from 95 percent of the higher educational institutions of the country, reports an unduplicated total—not adjusted to full-time positions—of 112,000 teachers in resident instruction (excluding teachers engaged only in extension service work or for the summer session) in the reporting institutions. The total professional staff in these institutions (including staff engaged in general administration, extension service, and organized research, but excluding those employed in summer sessions only) is 151,000. If this ratio of resident instructional staff to total is used to inflate the Almanac figures, the total professional staff (not reduced to a full-time basis) would amount to about 165,000. There is no recent information at hand to indicate the number of nonprofessional staff members or the proportion that this group forms of the entire staff. It has been estimated on the basis of 1937-38 data that these nonprofessional employees represent slightly less than 30 percent of the total staff in all higher institutions, public and private, taken as a group.<sup>3</sup> If this proportion still holds, the 1946 employment of this group by higher educational institutions might total as much as 225,000.

Among the estimated 60,000 nonprofessional employees, relatively few have retirement protection; most institutions using TIAA contracts have failed to provide protection for maintenance and other nonprofessional employees, and membership in the State-wide teachers' systems is commonly open only to the professional staff. Of the 165,000 professional employees, probably at least 35,000 work in institutions without plans. Of the estimated 130,000 professional employees in institutions with plans, perhaps as many as one-tenth work only part-time and may therefore be excluded from the retirement plan, and an additional but unknown proportion have elected not to participate or have not met the eligibility requirements. It is probably conservative, therefore, to estimate the total num-

<sup>3</sup> For estimates of employment at higher educational institutions with plans in 1940, see "Higher Educational Institutions and the Social Security Act," by Merrill G. Murray and Ilse M. Smith, *Social Security Bulletin*, December 1940, pp. 21-28.

ber of higher educational employees without protection at 75,000 to 100,000.

Of the approximately 105,000 teachers at senior colleges, universities, and professional schools in 1946, an estimated 81,800 or 78 percent were teaching in institutions with plans. The most common form of plan at this level is the TIAA contract, used by private institutions that—in the aggregate—employed 37,800 teachers and by public institutions with total employment of 8,600 teachers. Membership in publicly administered retirement systems is available to universities and colleges, whose faculties totaled 28,700. Private colleges with self-administered plans or with plans insured other than under TIAA employed the remaining 6,700 teachers.

Of the approximately 10,000 teachers employed by teachers colleges and normal schools, 8,100 were in schools with plans. Except for a relatively small number, retirement protection for this group is afforded by publicly administered retirement systems with State-wide coverage.

Using the Almanac data for junior colleges with adjustments based on enrollment when necessary, it is estimated that junior colleges employed about 8,000 teachers in 1946.<sup>4</sup> Approximately 4,600 or 58 percent of these teachers were on the staffs of schools with retirement plans, and all but 400 of them were in schools covered by publicly administered retirement systems.

A teacher employed by a publicly controlled institution is more likely to have an opportunity to participate in a retirement plan than is a teacher at a private school. The number of institutions with plans in relation to the total number of institutions, by type, is shown in table 1. In each type of institution, a larger proportion of the public schools than of the private have plans. A rough measurement of the less complete coverage

<sup>4</sup> The Office of Education estimates that, in the fall of 1945, the resident instructional staff (full-time and part-time) of junior colleges and normal schools other than Negro institutions numbered 7,900 (Statistical Circular SRS-21.3-016, table 8). The subtraction of normal schools, which had a total administrative and instructional staff of only 406 in 1943-44, would probably be more than offset by the addition of the instructional staff of the 18 Negro junior colleges.

Table 1.—Total number of institutions of higher education in continental United States and number of institutions with formal retirement plans, 1946

Institutions and type of plan	Total	Universities and senior colleges	Professional and technical schools	Teachers colleges and normal schools	Junior colleges
Public and private institutions, total.....	1,695	779	268	215	435
Institutions with plans.....	843	428	48	164	205
Public retirement systems <sup>1</sup> .....	475	113	15	158	189
TIAA contracts.....	292	254	19	6	13
Other <sup>2</sup> .....	76	61	12	-----	3
Public institutions, total.....	559	146	21	177	215
Institutions with plans.....	505	137	15	162	191
Public retirement systems <sup>1</sup> .....	475	113	15	158	189
TIAA contracts.....	30	24	-----	4	2
Private institutions, total.....	1,136	633	245	38	220
Institutions with plans.....	338	291	31	2	14
TIAA contracts.....	262	230	19	2	11
Other <sup>2</sup> .....	76	61	12	-----	3

<sup>1</sup> Includes an insignificant number of reinsured plans other than those under the Teachers Insurance and Annuity Association.

<sup>2</sup> Plans of private institutions which are self-administered or insured other than under TIAA.

in private institutions may be obtained by comparing the estimates in table 2 with data from the Biennial Survey of Education, 1943-44; 58 percent of all teachers conducting resident classes were in private colleges, but only 48 percent of all teachers in institutions with plans were employed by private schools.

The geographic distribution of institutions of higher education in the continental United States, and of their instructional staffs, is shown in table 3. No direct comparison can be made between the size of the resident instructional staff in 1943-44 and the number of teachers employed in 1946 by institutions with retirement plans. The percentage distributions, however, indicate that there are wide variations among the States in the ratio of teachers at institutions with

plans to all teachers in the State. Additional indications of the location of the gaps in coverage—but not of the magnitude of the groups affected—appear in the detailed distribution of all institutions and of institutions with retirement plans (table 3).

Of the 94,500 teachers on the staffs of higher educational institutions with plans, 50 percent were at public or private institutions using TIAA contracts and 43 percent were at public institutions covered by publicly administered retirement plans. The other 7 percent is accounted for by plans of private institutions which are self-administered or insured other than under TIAA. The protection afforded by the two major types of plans is summarized below.

Public retirement systems for

Table 2.—Estimated number of teachers in higher educational institutions with formal retirement plans, 1946

[Rounded to nearest hundred; totals are sums of unrounded figures]

Institutions and type of plan	Total	Universities and senior colleges	Professional and technical schools	Teachers colleges and normal schools	Junior colleges
Public and private institutions, total.....	94,500	77,300	4,500	8,100	4,600
Public retirement systems <sup>1</sup> .....	40,400	27,000	1,700	7,500	4,200
TIAA contracts.....	47,300	44,500	1,900	600	300
Other <sup>2</sup> .....	6,800	5,800	900	-----	100
Public institutions, total.....	49,600	35,600	1,700	8,000	4,200
Public retirement systems <sup>1</sup> .....	40,400	27,000	1,700	7,500	4,200
TIAA contracts.....	9,100	8,600	-----	500	( <sup>3</sup> )
Private institutions, total.....	45,000	41,700	2,800	100	400
TIAA contracts.....	38,200	35,900	1,900	100	300
Other <sup>2</sup> .....	6,800	5,800	900	-----	100

<sup>1</sup> Includes an insignificant number of reinsured plans other than those under the Teachers Insurance and Annuity Association.

<sup>2</sup> Plans of private institutions which are self-administered or insured other than under TIAA.

<sup>3</sup> Less than 50.



teachers.—Retirement protection for the faculty of higher educational institutions under public control is usually effected through affiliation with State-wide self-administered systems covering persons teaching at all educational levels. All States now provide for teacher retirement, either by systems primarily established for public school teachers or by systems for public employees that include teachers. Most of these State-wide systems cover the instructional staff of at least some of the public institutions of higher learning; some, however, limit their coverage of higher educational institutions to teachers colleges and normal schools. Public retirement protection for higher educational employees has also been effected—but in relatively few instances—through the establishment of a separate State system limited to university and college staffs, and through the coverage of municipal college staffs in municipally administered systems.

The State-wide systems covering teachers, while differing greatly in their maturity and specific provisions, have basic similarities.<sup>1</sup> These systems are designed primarily for retirement after many years of service. Most plans make no provision for the family of a teacher who dies in service except to refund his accumulated contributions. Monthly benefits for the survivor of a retired teacher are provided only if the member has chosen to take a reduced benefit during his lifetime. Although these provisions may serve the needs of the woman teacher without dependents, they fall short of providing adequate protection for the family of the typical college professor. Of the total resident instructional staff of institutions of higher education in 1943-44, 70 percent were men. At the time of the 1940 census, men comprised a slightly higher proportion (73 percent) of the group classified as employed "college presidents, professors and instructors"; three-fourths of these men, or 55 percent of the entire

group, were married and had a wife "present in the household."

Most of the systems require relatively long periods of service as a condition for receipt of disability benefits. The amount of the benefit is small if disability occurs much before normal retirement age.

The teachers' systems have pioneered in the public retirement field by crediting or permitting members to purchase credit for out-of-State service. Nevertheless, a large number of the systems make no such provision, and most of the others set a limit on the years of out-of-State service

Table 3.—Selected State data relating to higher educational institutions: Size of resident instructional staff, estimated number of teachers at institutions with formal retirement plans, and total number of institutions by type and number with plans, by State

State	Resident instructional staff, 1943-44 <sup>1</sup>		Teachers in institutions with plans, 1946 <sup>2</sup>		Number of institutions, 1945-46									
	Number	Percentage distribution	Number	Percentage distribution	All types		Universities and senior colleges		Professional and technical schools		Teachers colleges and normal schools		Junior colleges	
					Total	With plans	Total	With plans	Total	With plans	Total	With plans	Total	With plans
Total.....	111,981	100.0	94,500	100.0	1,695	843	770	428	266	46	215	164	435	205
Ala.....	1,349	1.2	1,200	1.2	26	13	13	7	3	1	5	5	5	5
Ariz.....	343	.3	400	.5	6	5	1	1	1	1	2	2	2	2
Ark.....	886	.8	700	.7	24	15	13	7	1	1	2	2	8	6
Calif.....	7,717	6.9	6,800	7.2	95	67	35	24	15	2	45	41	45	41
Colo.....	1,261	1.1	1,700	1.8	17	14	6	4	2	1	3	3	6	6
Conn.....	1,765	1.6	1,300	1.4	24	6	7	5	5	1	6	6	6	6
Del.....	188	.1	100	.1	4	1	2	1	1	1	1	1	1	1
D. C.....	1,990	1.8	1,300	1.4	25	5	11	4	6	2	2	2	6	2
Fla.....	893	.8	700	.8	16	6	11	4	1	1	1	1	4	2
Ga.....	1,816	1.6	1,900	2.0	51	25	24	13	9	2	1	1	17	9
Idaho.....	355	.3	300	.3	8	6	3	2	1	1	2	2	3	2
Ill.....	8,025	7.2	5,900	6.3	105	33	36	20	36	4	11	6	22	3
Ind.....	2,546	2.3	2,100	2.3	38	16	25	12	8	2	2	2	3	3
Iowa.....	2,036	1.8	1,300	1.4	46	26	24	13	2	1	1	1	19	12
Kans.....	1,797	1.6	400	.4	43	19	19	6	1	1	2	2	21	13
Ky.....	1,482	1.3	1,000	1.0	39	14	14	3	6	2	4	4	14	2
La.....	1,830	1.6	1,800	1.9	18	9	16	8	1	1	1	1	1	1
Maine.....	499	.4	400	.4	13	8	6	4	1	1	4	4	2	2
Md.....	2,199	2.0	2,700	2.8	30	18	16	12	6	1	5	5	3	1
Mass.....	6,162	5.6	6,000	6.4	69	32	29	17	13	3	16	11	11	1
Mich.....	3,653	3.3	3,600	3.8	42	25	21	12	8	1	4	4	9	8
Minn.....	2,658	2.4	3,700	3.9	46	23	15	5	9	1	9	6	13	12
Miss.....	861	.8	900	.9	33	21	12	7	1	1	2	2	19	12
Mo.....	3,725	3.3	1,800	1.9	54	10	17	9	10	1	7	20	20	12
Mont.....	389	.3	300	.3	11	8	4	2	1	1	2	2	3	3
Nebr.....	1,281	1.1	700	.7	22	12	13	5	2	1	5	4	4	3
Nev.....	70	.1	100	.1	1	1	1	1	1	1	1	1	1	1
N. H.....	568	.5	500	.5	8	2	5	2	1	1	2	2	1	1
N. J.....	1,552	1.4	1,000	1.0	32	14	10	4	9	3	7	6	6	1
N. Mex.....	347	.3	400	.4	8	7	3	3	1	1	3	2	1	1
N. Y.....	14,383	12.8	14,200	15.0	115	68	54	32	30	15	17	12	14	9
N. C.....	2,643	2.4	2,100	2.2	62	23	26	16	16	1	6	6	20	1
N. Dak.....	477	.4	500	.5	12	10	4	2	1	1	5	5	3	3
Ohio.....	5,701	5.1	5,200	5.6	66	30	46	29	16	1	2	2	2	2
Okla.....	1,518	1.4	1,400	1.5	34	27	11	8	1	1	6	6	16	13
Oreg.....	1,088	1.0	1,100	1.1	20	10	12	6	1	1	5	3	2	1
Pa.....	8,064	7.2	5,800	6.1	105	45	53	28	28	3	14	14	10	10
R. I.....	498	.4	400	.4	8	3	3	2	3	1	2	1	1	1
S. C.....	1,131	1.0	800	.9	32	12	20	11	3	1	4	4	10	10
S. Dak.....	495	.4	500	.5	16	10	7	5	1	1	4	4	4	4
Tenn.....	1,849	1.7	1,400	1.5	48	17	27	10	7	5	5	5	9	2
Tex.....	4,355	3.9	3,300	3.5	84	45	34	17	5	7	7	38	21	21
Utah.....	687	.6	900	1.0	10	7	5	3	1	1	4	4	4	4
Vt.....	483	.4	400	.4	11	8	6	4	1	1	3	3	2	1
Va.....	2,492	2.2	1,900	2.0	44	17	21	13	7	2	3	3	13	13
Wash.....	1,439	1.3	1,100	1.2	23	15	11	5	1	1	5	5	7	7
W. Va.....	899	.8	900	.9	19	14	11	7	1	1	6	6	2	1
Wis.....	2,607	2.3	1,800	2.0	39	18	15	8	7	1	13	10	4	4
Wyo.....	132	.1	100	.1	2	1	1	1	1	1	1	1	1	1

<sup>1</sup> The specific provisions are contained in the pamphlet, *Statutory Provisions for Statewide Retirement Systems*, published by the National Education Association, January 1946.

<sup>2</sup> Resident instructional staff during 1943-44 for all institutions reporting in Biennial Survey of Education, 1942-44. Total includes 847 instructors of U. S. Service Academies not distributed by State. Federal Security Agency, U. S. Office of Education, *Statistics of Higher Education, 1943-44*, table 5.

<sup>3</sup> Number of teachers as reported to 1947 *World Almanac* in answer to questionnaires sent out in 1946. Rounded to nearest hundred; total is sum of unrounded figures.

that may be credited. Even the most liberal of the provisions of this type fail to meet the needs of teachers moving between public and private institutions or shifting to other types of employment. Almost without exception, in case of transfer out of public employment, no accumulation of employer contributions vests in the withdrawing employee.

In systems that specify a single contribution rate for all members, the rate is frequently 5 percent of annual salary. Many of the systems use rates actuarially fixed to produce an annuity of the desired size at retirement after a specified period of service; such systems often provide that the rate may not exceed 5 percent or that, if more, the member may elect to contribute only 5 percent. The contribution of the public, in the role of employer, usually amounts to a matching of the employee contribution plus an amount to meet the accrued liability for service creditable to original members but performed prior to enactment of the system. In a number of the plans the contribution—and the amount credited in determining benefits—applies only to a limited compensation, such as the first \$1,800 or \$2,400 of annual salary; in many cases, therefore, the retirement benefits are inadequate for college faculties.

**Teachers Insurance and Annuity Association.**—TIAA, a legal reserve life insurance company, was organized at the suggestion of the Carnegie Foundation for the Advancement of Teaching to issue life insurance and annuity contracts to employees of universities and colleges. TIAA retirement annuity contracts are the basic contracts used by a large majority of the colleges and universities that have inaugurated contributory retirement plans and finance them by means of annuity contracts. The contract belongs to the staff member; if his employment relations are broken, he carries his contract with him and may continue premium payments himself or may share the payments with a subsequent employer. The contracts do not provide for lump-sum settlement to the staff member, thus assuring that the primary purpose of providing retirement income will not be thwarted. At retirement the annu-

tant may choose between various options ranging from an annuity with payments ceasing at his death to an annuity with payments of the same amount to his wife after his death. If the staff member should die before his annuity payments begin, the full accumulation to the credit of the contract is the basis of a benefit payable to a specified beneficiary; a number of different income methods of settlement are provided.

Most of the TIAA contracts are purchased with premiums of 10 percent of salary shared equally between the college and the individual. The inadequacy of this contribution rate has been emphasized by TIAA officials. As long ago as 1943, Rainard B. Robbins, vice president of the Association, declared: "Until the late 1920's a professor who started contributions of 5 percent of salary at age 35 with the employing college making equal payments could look forward to retirement income at age 65 of more than half salary; today the prospect of a corresponding professor is about one-third of salary. This is due largely to the impact of lower interest rates and evidences of greater longevity on the part of annuitants."<sup>6</sup>

A recent annual report of the TIAA states: "Many colleges recognize the inadequacy of the present 5-percent matched contributions. A few have already increased contributions and a number of others are actively considering ways and means of correcting this defect. Some have hoped for relief through extension of the coverage of the Social Security Act."

#### *Extension of Social Security Coverage to Employees of Higher Educational Institutions*

Exclusion from coverage under old-age and survivors insurance of employment for nonprofit institutions and for State and local governments was due primarily to problems involved in taxing such pay rolls. The constitutionality of levying the Federal social insurance tax on State and local governments in their role as employer is open to question. Moreover,

some groups of public employees feared that their existing retirement systems would be weakened if coverage were extended to State and local employment, and they therefore actively opposed coverage. In the case of nonprofit institutions, some feared that to levy the employer's tax would undermine the traditional tax-exempt status of organizations operated chiefly for educational, religious, and charitable purposes. Some leaders in the nonprofit field believed that an extension of old-age and survivors insurance to that area might impair religious and academic freedom, the traditional separation of church and state, and public encouragement of religious, educational, and philanthropic enterprises.

A gradual shift of sentiment has been apparent in recent years, evidenced by the fact that many of the representatives of the groups once opposing coverage are now actively supporting an extension of the Federal program. Among such groups is the American Council on Education, which includes in its membership about 110 national organizations operating in the field of education and some 7,000 to 8,000 institutional members—colleges, universities, State school systems, local school systems, and private schools. In his testimony at the social security hearings in March 1946, Dr. George Zook, president of the Council, recommended the extension of old-age and survivors insurance coverage to the faculties and other employees of higher educational institutions. Dr. Zook pointed to the findings of a survey conducted by the Council in 1941-42, at which time about four-fifths of the college executives canvassed "expressed themselves in favor of going under the provisions of old-age and survivors insurance."<sup>7</sup>

As early as March 1939 the Association of American Colleges resolved: "That the Association of American Colleges favors the recommendation of the National Advisory Council on Social Security that colleges and universities be included in the operation of the Social Security Act and that

<sup>6</sup> "Adequacy of Benefits Under College Retirement Plans," *Association of American Colleges Bulletin*, December 1943, pp. 457-476.

<sup>7</sup> *Amendments to Social Security Act: Hearings Before the House Committee on Ways and Means*, 79th Congress, February-June 1946, p. 856.

the Board of Directors appoint a special committee to support this action." The Committee on Insurance and Annuities of the Association of American Colleges has subsequently recommended on a number of occasions that the Association reaffirm its position in favor of inclusion under old-age and survivors insurance, stating: "In the long run, financially and socially, we believe that it is in the best interest of the colleges to come under the coverage of this Act. . . ." A statement urging the extension of old-age and survivors insurance to all employees of nonprofit educational institutions was presented by the Association of American Colleges at the 1946 hearings of the House Ways and Means Committee.

Other organizations and individuals appearing before the Ways and Means Committee to urge an expansion of old-age and survivors insurance coverage recommended that employment for educational institutions be covered. Many individuals—teachers, maintenance workers, and other employees of higher educational institutions—have written to the Social Security Administration to express their concern over their exclusion from the program.

Problems of taxation need not bar governmental and nonprofit employees from the protection of the social security program. A specific provision to the effect that the contributions paid by employers are not to be regarded as general-purpose taxes or as a precedent for such taxes might reassure college officials that the intent is to preserve the traditional tax-exempt status of nonprofit institutions. If employees of State and local governments were to be covered by means of voluntary compacts between the State and the Federal Government, the payment of the employer tax would be voluntary and questions of sovereignty and constitutionality need not arise.

*Advantages of extension of coverage.*—Teachers and other employees of higher educational institutions would gain three major advantages from coverage under old-age and survivors insurance.

The large group of employees now without any systematic retirement provision would gain protection

against want in their old age. Although the size of this group cannot be definitely determined, it may be in the neighborhood of 75,000 to 100,000. Many of these workers now without protection are in relatively low-paid occupations, such as clerical and maintenance work, and many or most of them are presumably unable to provide, as individuals, for their old age. If they were doing the same type of work for an industrial or commercial concern, they would have basic protection for themselves and their dependents through the old-age and survivors insurance system.

Teachers and other employees of higher educational institutions would gain survivorship protection. This advantage is of importance to employees who are members of plans that are designed primarily to provide retirement income as well as to employees who are not covered by any type of plan. The predominance of married men on the faculties of colleges and universities is an indication of the urgent need for survivorship protection.

Finally, employees who spend only part of their working lifetime in the nonprofit or governmental field would have continuity of protection under old-age and survivors insurance. Their protection under the basic Federal program would increase while they were working in these fields and would not, as at present, be impaired or lost. The wage credits accumulated in other jobs—during the summer, for instance—would be combined with credits earned in their regular employment for educational institutions.

*Coordination with the Federal program.*—No employee of a higher educational institution need suffer any loss of protection through coverage under the Federal social insurance program. It has long been recognized that teachers should have more than the minimum benefit furnished by the Federal social insurance system. The objective is to increase, not decrease, the protection available to such workers and their families. Both types of program—the basic national system and the specific plan for school employees—have definite roles to play in achieving this objective.

The basic social insurance system

would provide continuing protection, crediting all service no matter where or in what occupation, and would assure that the employee and his family, or his survivors, receive a benefit sufficient to provide the essentials of life when earnings cease because of old age or death. The special plan would supplement this basic protection. It would continue to make the profession of teaching attractive by rewarding the teacher who spends much of his working life in this field with a substantial benefit in addition to the basic benefit of the Federal system.

Under such a plan the limitations of a special system are balanced by the strength of an underlying program. The fact that State and local retirement systems cannot provide adequately for persons who move in and out of government service becomes less serious when all governmental as well as nongovernmental employment can be credited under the basic system. Retirement benefits under the social insurance system are increased if the beneficiary has eligible dependents; under the usual special plan for teachers, retirement benefits are decreased if the teacher wishes to provide monthly benefits for his dependents after his death. The monthly benefits which the social insurance system would pay to the families of educational employees who die before retirement age might continue long after the family had used up the lump-sum refund of contributions—usually the only survivor payment made by the State and local systems in such cases.

This teamwork could also be carried over to permanent disability insurance, if the social security program is amended as proposed. Faculty members and other school employees are now inadequately protected against the risk of premature retirement due to disability. Most of the State and local retirement systems require relatively long periods of service as a condition for receipt of monthly disability benefits, and the amount of the benefit is small if disability occurs much before normal retirement age. Perhaps as many as half the disabilities occur well before retirement age. The need for income at this time—when family responsibilities

may be at their height and there has been insufficient time or opportunity to accumulate private savings—is at least as great as the need for income during old age. The period required to establish eligibility for disability benefits under the social security system would probably be shorter than under the special plan, and although basic benefits might be relatively low, additional allowances could probably be made for dependents.

The type of coordination proposed is similar to that which is now being used in private industry. The successful adaptation of industrial retirement systems which were in operation when old-age and survivors insurance began, refutes the argument that existing special plans for teachers would be destroyed if coverage of the Federal system were extended to employment in governmental and nonprofit schools.

There is no tailor-made formula for adaptation of all existing plans covering teachers. The problems involved in coordinating the State-wide public retirement systems with the Federal program, would differ from those encountered in coordinating a plan that involves TIAA contracts. The problems of covering teachers who have already built up equities in existing plans will be more difficult than the problems of providing supplementary protection for teachers who come within the scope of the special plan at a future date. But these problems are by no means insurmountable, and the TIAA has already announced its willingness to tackle them: "... if a college were brought under the Social Security Act, its retirement plan could be modified as might seem desirable or necessary, and annuity rights already established would persist and would supplement whatever benefits might thereafter be established under either the national retirement plan or a modification of the college's private plan. If and when the social security legislation is extended to employment for colleges and universities, officers of TIAA will be ready to counsel with college officers as to desirable changes in plans involving its contracts."<sup>8</sup>

<sup>8</sup> Teachers Insurance and Annuity Association, *Planning a Retirement System*, 1945, p. 30.

### Conclusion

Higher educational institutions have long been interested in providing their staff members with a guarantee against dependency in old age. Such a guarantee has placed colleges in a favorable position when competing for high-caliber personnel with employers who may be able to offer greater and more immediate financial inducements. Educational institutions have found that a retirement plan pays dividends also in the form of high morale and efficiency, in that it increases the security of the individual and at the same time makes possible the advancement of the younger staff members.

But despite many years of operation of retirement provisions for employees in institutions of higher education, perhaps as many as 75,000 to 100,000 employees—out of a total of approximately 225,000—lack protec-

tion against loss of income in old age. Their families, and the families of many of the staff members covered by retirement plans, lack basic protection against dependency caused by the breadwinner's death.

The national program of old-age and survivors insurance can provide maximum protection at reasonable cost for employees who do not now have economic security against wage loss resulting from old age or death. Moreover, old-age and survivors insurance can serve as a foundation for the supplementary retirement protection which would make employment for educational institutions even more attractive.

Many officials and employees of colleges and universities are now fully aware of the advantages of inclusion and are urging that the Social Security Act be amended to permit the coverage of employment performed for higher educational institutions.

## Old-Age and Survivors Insurance for Agricultural and Domestic Workers and the Self-Employed

*A report exploring alternative methods of extending coverage to the self-employed and to agricultural and domestic employees was recently published by the Division of Tax Research of the Treasury Department.<sup>1</sup> Because of the pertinence of its subject, the Bulletin is reproducing here the introductory section of the report.*

THE SOCIAL SECURITY ACT, approved on August 14, 1935, provided the United States for the first time with a general old-age insurance program and shifted this country from among the more backward to the more advanced countries in the field of social security. Its comprehensive character notwithstanding, the 1935 act provided old-age insurance coverage for only part of the country's population; it left large groups of people outside the program.

<sup>1</sup> *The Extension of Old-Age and Survivors Insurance to Agricultural and Domestic Service Workers and to the Self-Employed*, November 1947. The study does not discuss the question of public policy involved in extending coverage or offer specific recommendations.

The principal groups excluded from the benefits of the old-age insurance program were agricultural workers, domestic service workers, self-employed persons, government employees, employees of educational, religious, and charitable organizations, and persons employed in the railroad industry. In 1946, these categories included about 30 million people and represented approximately 40 percent of the country's paid employment.

The exclusion of the several groups from the program was prompted by different reasons. Railroad employees were covered by a separate system established by the Railroad Retirement Act of 1935. Government employees were excluded partly because some were covered under existing pen-



sion schemes and partly because of legal barriers to the imposition of a Federal tax on State and local governments in their capacity as employers. Less tangible reasons lay behind the exclusion of the employees of educational and other nonprofit organizations.

Agricultural and domestic workers and self-employed persons, now aggregating about 19 million, were not covered principally because the administrative problems in collecting taxes and obtaining proper wage reports were anticipated to be especially difficult. The concept of social security was new to this country, and the introduction of a social insurance program represented a significant departure both for the Federal Government and the American people. In the initial stages of the program, it appeared desirable to restrict old-age insurance to those areas of employment where the prospects for successful operation were best. Moreover, it was anticipated that, as administrative experience was accumulated, noncovered groups could be brought in at some future time without jeopardy to the entire system. It was made abundantly clear at all stages of the discussion that the exclusion of these groups from the initial program was a matter of expediency and in no way implied a permanent denial of the rights of these groups to old-age security on terms identical with those accorded to the covered groups.

In the case of the self-employed, the basis for exclusion was largely administrative in character and related to the problem of collecting taxes from self-employed persons with low incomes. The financial structure of the contributory old-age insurance system adopted in 1935 was built around employer and employee taxes on wages collected at source. It placed primary compliance responsibility on the employer and avoided the need for returns on the part of individual wage earners. This mechanism obviously was not applicable to the self-employed, where employer and employee are one and the same person. The financing of social security benefits for the self-employed had to be built around some alternative structure involving self-reporting by covered persons. The mechanism which

held most promise appeared to be an adaptation of the procedures used for income-tax purposes. Since, however, the income tax of those days employed large personal exemptions and was a tax payable by a relatively small segment of the population, its adaptation for social security purposes would have required innovations which were then regarded to involve too much risk. The retention of income-tax exemptions for old-age insurance purposes would, in effect, have entailed the exclusion of precisely those self-employed persons who were most in need of social security protection. The drastic reduction of exemptions or their complete elimination, on the other hand, involved questions of enforcement practicability which were then difficult to appraise.

Another problem which had to be resolved preparatory to the assessment of taxes against the self-employed related to the separation of that part of their income attributable to personal services from the balance due to capital investment. The tax which comprises a contribution for old-age security should apply only to the counterpart of wages—to personal service income which stops when the worker retires and which establishes both the timing and the scale of his retirement benefits. Here again, income-tax experience was relevant and indicated that this type of segregation was fraught with difficulties.

The principal consideration which influenced the decision to delay the coverage of agricultural and domestic workers under the original social security program related principally to the enforcement of social security taxes and adequate wage reports. A lesser problem was the valuation and taxation of income received in kind.

Since, under the program, eligibility for benefits and the size of those benefits were to depend upon earnings, it was essential to obtain a complete and accurate record of the earnings of each agricultural and domestic employee. This required employers to establish and maintain records of each wage payment made to their employees. While some employers were already keeping records of this type, it was believed that most farm operators and particularly housewives would find it burdensome to comply

with the requirements, both because of their unfamiliarity with record-keeping and because of the rapid labor turn-over.

During the 10 years of the old-age and survivors insurance system, the need for the expansion of its coverage has frequently received public recognition. In 1938 the Advisory Council on Social Security, established jointly by the Senate Finance Committee and the Social Security Board, recommended in its final report the coverage of most excluded occupations as promptly as possible. This was followed by similar recommendations made by the Social Security Board and the President, just prior to the commencement of the congressional hearings which led to the 1939 amendments of the Social Security Act. That legislation made important revisions in the system but, except for several small groups, failed to broaden the coverage of the program.

Interest in expanded coverage continued. The Social Security Board recommended the enactment of legislation to this end in virtually every one of its annual reports. From time to time the President made similar recommendations to the Congress. In his 1946 budget message and again in 1947, President Truman called attention to the absence of social security protection for large segments of the population particularly in need of old-age security, and suggested legislation to eliminate the existing inequity.

During every session of Congress a number of bills were introduced providing for the extension of coverage either as a separate step or as part of comprehensive social security revision. Notable examples of recent proposals are those sponsored by Senator Wagner, Senator Murray, and Representative Dingell for broad changes in the entire social security program, and by Senator Magnuson to provide a separate retirement program for all those not covered by existing Federal retirement legislation. The legislation pending in this session of Congress is illustrative of the varying approaches to the general problem. Senator Murray's bill (S. 1679) would make extensive revisions in the program, including expanded coverage. Senator Magnuson has reintroduced his bill

(S. 681). Representatives Curtis (H. R. 2046) and Bennett (H. R. 3457) propose coverage for the self-employed. Bills introduced by Senators Young (S. 508), Aiken and McFarland (S. 1743), and by Representatives Beall (H. R. 2022), Lynch (H. R. 2448), Curtis (H. R. 1892), among others, would extend old-age and survivors insurance to other groups not now protected by the program.

The Ways and Means Committee undertook an investigation of various phases of the social security program, including expanded coverage, in 1945-46. Its staff of technical experts (appointed pursuant to H. Res. 204, 79th Cong., 1st sess.), in reporting on this aspect of social security revision, concluded that it was feasible to extend coverage to the self-employed and to agricultural and domestic workers. Following the report of the Technical Staff, the Committee conducted extensive hearings. Virtually every witness who addressed himself to the problem, including representatives of business, labor, farm organizations, Government, and religious, welfare, and educational groups, favored extension of coverage to these categories of workers. In his testimony before the Committee, Commissioner Altmeyer of the Social Security Administration emphasized the need for extending the coverage of old-age and survivors insurance and presented in some detail a plan for covering self-employed persons. Agricultural and domestic workers, he indicated, might be covered either by a stamp plan or by a system of employer reports.

The growth of interest in the extension of social security coverage during the past 10 years was accompanied by the accumulation of administrative experience which resolved some of the problems envisaged at the time the program was first developed. The wartime reduction of personal exemptions under the individual income tax to \$500 per taxpayer provided experience with tax returns from low-income recipients. In the case of most farm operators and many employers of domestic service workers, it established the need for the maintenance of operating records. These developments have direct application to the

problem encountered in the extension of old-age insurance coverage. Other developments, such as the farm aid programs and rationing, have contributed to making the population record conscious. Administrative authorities have acquired more than 10 years of experience in enforcing social security taxes under diverse circumstances. At the same time, the generally high level of economic activity, including employment, reduced the rate of labor turn-over in domestic employment and the burdensomeness of employment taxes. These developments have improved the case for the extension of old-age insurance coverage.

The present report, which draws heavily on the Treasury Department's experience with the administration of the tax aspects of the social security system, examines the problems of extended coverage and discusses alternative plans for bringing the self-employed and the agricultural and domestic workers into the system. In examining the available alternatives, it appeared desirable to confine detailed consideration to those plans which were consistent with the principal characteristics of the existing social security system. Consequently, some plans which under other circumstances would deserve careful evaluation were not considered.

The present social security program is financed by a pay-roll tax imposed at a rate of 1 percent each on employees and employers. The receipts from this tax have been sufficient to pay the current cost of benefits and to build up a substantial reserve, and are expected to continue to do so for some years to come, notwithstanding anticipated increases in aggregate benefit payments. It is estimated on the basis of a relatively optimistic set of consistent assumptions regarding the long-term operations of the system (high wages, low retirement rates, etc.) that the level cost of the system is about 3 percent of pay rolls. Under a less optimistic set of assumptions, the level cost of the system is estimated at approximately 7 percent of pay rolls. Nevertheless, a combined tax rate of only 2 percent has been continuously in effect since the origin of the program, with the result that the system has

been operating at an actuarial deficit, even if the most optimistic set of economic and demographic assumptions underlying the calculations made thus far should materialize. In the absence of an adequate increase in the pay-roll tax, the deficit will presumably be made up from the Government's general fund when the cash benefit obligations of the system warrant it.

This prospective dependence of the system upon some financing from the general fund prescribes in some measure the plans available for the coverage of hitherto uncovered groups. It precludes, for instance, recourse to a plan for voluntary coverage. Under such a plan, those who could best afford to come into the system would do so, while some of those whose need for protection is greatest would not acquire social security coverage. As a result the general fund would tend to subsidize social insurance protection for the benefit of a select group of individuals who need it less than some of those not covered. To safeguard the principle that the Government's general funds serve the purposes of all the population on a fair and equitable basis, it is necessary to limit the choice of plans for the extension of coverage to those which extend protection on the basis of reasonably fair classifications. Voluntary coverage, dependent as it is on the financial position of the insured, would not meet this test. It should also be noted that there are other objections to a voluntary system. For example, it would tend to involve an adverse selection of risk and would thus impose added financial burdens on those who are compulsorily covered by the program.

A further illustration of how the characteristics of the present system restrict the alternative approaches to broader coverage may be cited. From some points of view, there is much to be said for a plan of direct reporting by agricultural and domestic workers themselves by means of an annual return of wages and payment of taxes, similar to that required under the income tax and under a plan discussed [in the report] for self-employed persons. Such a plan would preclude the collection of a tax from the employers of such workers and would involve

(Continued on page 36)

## Employment Security

### Unemployment Claims and Benefits

#### State Programs

In November, both initial and continued claims for State unemployment insurance declined, with the latter hitting a new postwar low of 2,848,000. Three factors were responsible for the smaller continued claims load—a high level of employment in those industries not affected by the cold weather, the fewer reporting days in November than in October, and the rescheduling of Thanksgiving Day claims to the first week of December. The decline was widespread, occurring in 38 States, including all those east of the Mississippi River; 11 States reported a drop of 10,000 or more claims. The most marked reductions were in New York, 87,600; Michigan, 69,600; Pennsylvania, 58,600; California, 48,600; Illinois, 46,700; and in New Jersey, 43,100. The smaller claims load in New Jersey was caused by a general high level of industrial and business activity. In Pennsylvania the short reporting month—23 days in October and 18 in November—accounted for the decrease. In California the continued high levels of employment in the construction industries and in the women's apparel and retail trades were the principal reasons for the drop. The reopening of the citrus-canning and packing plants and the preparations for the winter tourist season caused the decline of 17,300 in Florida. The pick-up in retail-trade employment at the approach of the Christmas buying season was an important factor underlying the drop in the continued claims load in many States. The only sizable increases in continued claims were 10,500 in Oregon and 7,300 in Washington, following the pattern of preceding years as food-processing, construction, lumbering, and allied industries reduced operations.

Though initial claims were higher in all but 17 States in November, a drop of 30,300 in Michigan caused a decline from 618,000 to 603,000 in the

national total. The drop in Michigan reflected the large volume of claims received in October, when the steel shortage caused lay-offs in the automotive industry. Most of the increases resulted from seasonal lay-offs in the lumbering, construction, and food-processing industries and in the garment trades. The increases of 10,000 in New York and 7,200 in California were outstanding. The larger claims load in New York was almost entirely the result of lay-offs in the needle trades in New York City, following the seasonal pattern. In California the rise was caused by the claims filed against the April-June wage credits, newly available for benefit purposes.

Benefit payments dropped at a faster rate from October to November—from \$52.8 to \$41.7 million—than for the 3 preceding months. Eleven States reported increases, but only the increases in Oregon and Washington were large enough to be significant. Some of the larger industrial States reported sizable declines—approximately 40 percent in Michigan and 30 percent in Illinois, Pennsylvania, and Rhode Island. Benefit payments in Nebraska, Texas, and Washington were less than half as large as they were in November 1946. But in Alaska, Hawaii, New Hampshire, and Vermont they were more

than double those paid a year earlier.

The average weekly number of beneficiaries during November (593,400) was 62,500 below that in October and 116,200 below the November 1946 figure. The number of claimants ranged from 512,200 to 661,100 during the 5 weeks ended in November. The highest number occurred in the week ended November 22, and the lowest in the following week, when local and central offices were closed for the Thanksgiving holiday. All the larger States, except Oregon and Washington, showed a decline. The weekly average in Pennsylvania dropped from 45,200 to 36,500; in Michigan, from 34,100 to 25,700; in Illinois, from 41,400 to 33,700; and in Ohio, from 17,500 to 14,900. On the other hand the weekly average in Oregon rose from 5,400 to 7,700 and in Washington, from 15,300 to 18,700. Funds available for the payment of unemployment benefits rose to \$7.3 billion at the end of November, \$111.7 million more than at the end of October and \$434.4 million more than a year earlier.

Unemployment during the week ended November 8, as represented by the ratio of continued claims to covered employment, was 2.4 percent, a new postwar low. This ratio has dropped each month since July, when it was 4.0 percent. Eleven States reported a higher ratio in November. The increase in Oregon's ratio, from

Table 1.—Summary of unemployment insurance operations, November 1947

Item	Number or amount	Amount of change from—	
		October 1947	November 1946
Initial claims.....	1 603,000	-15,000	-17,000
New.....	1 318,000	-3,000	-64,000
Additional.....	1 285,000	-11,000	-47,000
Continued claims.....	12 848,000	-511,000	-644,000
Waiting-period.....	1 308,000	-20,000	-33,000
Compensable.....	12 540,000	-491,000	-611,000
Weeks compensated.....	2 343,547	-638,930	-628,400
Total unemployment.....	2 210,810	-603,700	-636,724
Other than total unemployment <sup>1</sup> .....	132,737	-35,230	+8,324
First payments.....	172,769	-31,401	-51,997
Exhaustions.....	65,853	-22,208	-22,176
Weekly average beneficiaries.....	593,441	-62,482	-116,177
Benefits paid <sup>2</sup> .....	\$41,655,238	-\$11,118,764	-\$12,441,272
Benefits paid since first payable <sup>3</sup> .....	\$4,439,313,459	.....	.....
Funds available as of Nov. 30.....	\$7,310,862,660	+\$111,689,009	+\$434,440,779

<sup>1</sup> Includes estimate for Ohio.

<sup>2</sup> Excludes Maryland, which has no provision for filing waiting-period claims.

<sup>3</sup> Excludes Montana, which has no provision for payment of other than total unemployment.

<sup>4</sup> Gross: not adjusted for voided benefit checks.

<sup>5</sup> Net: adjusted for voided benefit checks.



2.5 to 3.8 percent, was the only rise that was as much as 1 percentage point. The highest percentages reported were those in New York, 4.7 percent; California, 4.3 percent; and

Washington, 4.1 percent. These States also ranked highest in November 1946. Twelve States showed unemployment ratios that were below 1 percent.

### Veterans' Unemployment Allowances

Payments for veterans' unemployment allowances dropped to \$29.6 mil-

Table 2.—Initial claims received in local offices, by State, November 1947

[Data reported by State agencies; corrected to Dec. 17, 1947]

Region and State	Total			New	
	All claimants	Amount of change from—		Women claimants	All claimants
		October 1947	November 1946		
Total <sup>1</sup>	603,000	-15,000	-17,000	256,000	318,000
Region I:					
Connecticut	5,935	+217	-455	2,805	3,984
Maine	3,991	+1,055	+1,100	2,121	1,584
Massachusetts	25,743	+168	-441	11,594	13,303
New Hampshire	1,013	-99	-598	832	1,000
Rhode Island	5,445	+13	+1,762	2,082	3,329
Vermont	735	-460	-353	328	425
Region II-III:					
Delaware	855	-238	-520	294	620
New Jersey	28,204	-5,328	-3,326	13,921	16,864
New York	171,364	+9,991	+15,565	86,490	48,789
Pennsylvania	34,054	-2,640	-15,719	13,405	20,705
Region IV:					
Dist. of Col.	1,166	-178	+8	587	1,116
Maryland	8,020	+825	+2,328	2,896	4,511
North Carolina	5,834	+894	+1,894	3,525	3,920
Virginia	3,172	+517	-563	1,526	2,516
West Virginia	3,996	-573	-2,477	946	2,971
Region V:					
Kentucky	3,623	-978	-1,337	1,154	2,668
Michigan	29,995	-30,330	+5,495	10,172	18,071
Ohio <sup>2</sup>					
Region VI:					
Illinois	27,078	+177	-4,496	11,921	14,608
Indiana	13,500	-1,210	+1,139	5,221	6,718
Wisconsin	4,077	+146	-4,336	1,046	2,942
Region VII:					
Alabama	5,708	+174	-678	1,663	4,475
Florida	6,055	-1,732	+194	2,627	4,613
Georgia	5,020	-748	-892	2,341	3,080
Mississippi	2,688	+342	-326	798	2,007
South Carolina	3,688	+287	+1,145	1,479	2,721
Tennessee	6,384	-1,322	-1,084	2,553	4,714
Region VIII:					
Iowa	2,144	+317	-403	853	1,478
Minnesota	4,502	+2,384	+638	1,149	2,963
Nebraska	973	+194	-366	334	624
North Dakota	286	+221	-101	43	186
South Dakota	334	+192	-7	126	266
Region IX:					
Arkansas	4,386	+1,313	-919	1,000	3,555
Kansas	3,074	+573	-1,448	1,084	2,254
Missouri	12,364	+1,382	-8,461	4,599	8,191
Oklahoma	3,663	-244	-2,365	1,164	2,593
Region X:					
Louisiana	6,629	+552	-1,790	1,526	5,109
New Mexico	701	+194	+43	164	554
Texas	8,310	+1,294	-2,459	2,430	7,001
Region XI:					
Colorado	1,540	+418	-71	610	1,241
Idaho	1,872	+1,228	+553	432	1,211
Montana	1,157	+453	-183	206	838
Utah	2,297	-1,123	+308	631	1,838
Wyoming	241	+96	-55	84	187
Region XII:					
Arizona	2,114	-11	+153	( <sup>3</sup> )	1,737
California	95,649	+7,179	+1,095	41,226	52,780
Nevada	1,036	+83	+279	377	820
Oregon	9,982	+444	+1,606	3,278	7,536
Washington	16,837	+627	-5,824	4,818	12,121
Regions XIII and XIV:					
Alaska	472	+202	+82	94	352
Hawaii	481	-304	-124	177	379

<sup>1</sup> Includes estimates for Ohio and for women claimants in Arizona.

<sup>2</sup> Data not received.

<sup>3</sup> Since Wisconsin has no provision for a benefit year, a new claim is a claim requiring a determination of benefit amount and duration, as well as eligibility for benefits, on a per employer basis.

<sup>4</sup> Data estimated by State agency.

Table 3.—Continued claims<sup>1</sup> received in local offices, by State, November 1947

[Data reported by State agencies; corrected to Dec. 17, 1947]

Region and State	Total <sup>2</sup>			Compensable	
	All claimants	Amount of change from—		Women claimants	All claimants
		October 1947	November 1946		
Total <sup>3</sup>	2,848,000	-511,000	-644,000	1,352,000	2,540,000
Region I:					
Connecticut	20,951	-6,218	-6,861	10,253	17,974
Maine	14,484	-709	-1,834	7,336	13,421
Massachusetts	142,132	-28,013	+3,128	64,243	130,357
New Hampshire	10,068	-1,932	-5,369	5,723	9,355
Rhode Island	34,775	-15,681	+11,818	14,629	32,209
Vermont	4,081	-701	+1,827	1,838	3,717
Region II-III:					
Delaware	3,439	-1,956	-3,121	1,340	3,123
New Jersey	174,676	-43,101	-16,187	87,041	159,577
New York	754,323	-87,589	-159,318	377,064	643,206
Pennsylvania	165,238	-58,595	-80,751	64,538	151,843
Region IV:					
Dist. of Col.	11,879	-2,077	+1,440	6,757	11,117
Maryland	27,748	-5,660	-6,838	11,444	27,748
North Carolina	25,938	-6,210	-179	16,926	23,116
Virginia	13,793	-3,413	-3,663	7,714	12,580
West Virginia	26,933	-4,737	-16,615	7,012	25,734
Region V:					
Kentucky	37,114	-7,836	-20,942	11,706	25,570
Michigan	126,858	-69,597	-1,841	55,860	116,127
Ohio <sup>4</sup>					
Region VI:					
Illinois	172,239	-46,065	-60,141	92,535	162,013
Indiana	35,914	-330	+1,010	16,169	30,997
Wisconsin	17,092	-1,749	-725	9,012	14,527
Region VII:					
Alabama	34,406	-11,350	-6,459	13,190	31,705
Florida	40,699	-17,319	+6,250	21,688	38,879
Georgia	32,618	-8,796	-8,810	18,885	27,918
Mississippi	12,574	-3,415	-2,113	5,853	10,661
South Carolina	10,617	-2,799	-851	4,947	9,310
Tennessee	59,261	-7,269	-7,955	29,796	66,371
Region VIII:					
Iowa	8,670	-999	-7,449	4,678	7,633
Minnesota	8,242	-111	-4,582	3,427	6,956
Nebraska	2,723	-211	-3,164	1,448	2,159
North Dakota	434	+47	-1,268	218	386
South Dakota	749	+22	-1,340	435	667
Region IX:					
Arkansas	18,267	-3,897	-13,983	6,177	16,788
Kansas	14,689	-364	-14,962	6,570	13,503
Missouri	65,160	-14,022	-49,843	26,499	58,024
Oklahoma	15,281	-1,986	-18,617	6,748	13,996
Region X:					
Louisiana	21,855	-2,613	-11,308	6,651	18,547
New Mexico	2,477	+129	-718	927	2,274
Texas	20,271	-3,548	-18,809	8,691	16,253
Region XI:					
Colorado	4,552	-580	-1,682	2,414	3,959
Idaho	4,427	+1,421	+1,234	1,726	3,387
Montana	4,094	+536	-2,271	1,906	3,415
Utah	10,241	+2,059	+289	3,726	8,006
Wyoming	777	+61	-262	413	607
Region XII:					
Arizona	9,428	-884	+1,113	( <sup>4</sup> )	9,023
California	400,960	-48,601	-76,100	197,821	363,689
Nevada	4,517	+104	+1,528	1,902	4,251
Oregon	45,758	+10,478	+11,686	19,726	39,616
Washington	90,751	+7,331	-55,924	37,967	82,013
Regions XIII and XIV:					
Alaska	1,391	+740	+357	414	1,191
Hawaii	3,872	+607	+712	2,509	3,531

<sup>1</sup> In some States 1 claim covers more than 1 week.

<sup>2</sup> Includes waiting-period claims except in Maryland, which has no provision for filing such claims.

<sup>3</sup> Includes estimates for Ohio and for women claimants in Arizona.

<sup>4</sup> Data not received.

lion in November—23 percent less than in October and the lowest amount since November 1945. This amount compensated for 1.5 million weeks of unemployment—23 percent fewer than in the preceding month. Con-

tinued claims declined 17 percent, with 34 States sharing in the decline. Most of the 18 States reporting increases in continued claims were predominantly agricultural and located west of the Mississippi.

Initial claims rose slightly for the first time since June, as unemployment of male veterans of World War II, as estimated by the Bureau of the Census, increased 7 percent. Though the rise in claims was less than 1 per-

Table 4.—Number of individuals<sup>1</sup> compensated during weeks ended in November 1947 and number of weeks compensated and amount of benefits paid in November 1947, by State

[Data reported by State agencies; corrected to Dec. 17, 1947]

Region and State	All types of unemployment								Total unemployment			
	Individuals compensated during weeks ended—					Weeks compensated			Benefits paid <sup>2</sup>	Weeks compensated	Benefits paid <sup>2</sup>	Average weekly payment
	November 1	November 8	November 15	November 22	November 29	Number	Amount of change from—					
							October 1947	November 1946				
Total.....	636,782	592,119	565,081	661,068	512,156	2,343,547	-638,930	-628,400	\$41,655,258	2,210,810	\$39,908,221	\$18.05
Region I:												
Connecticut.....	10,006	7,741	6,866	7,477	6,995	29,079	-11,675	-2,763	556,941	27,342	537,201	19.65
Maine.....	2,686	3,154	2,691	3,304	2,024	11,173	-2,526	-1,323	153,223	9,137	131,531	14.40
Massachusetts.....	31,773	30,229	28,206	30,648	28,378	117,461	-45,118	-2,202	2,473,738	106,336	2,355,001	22.15
New Hampshire.....	2,076	2,136	1,865	2,291	1,654	7,946	-5,791	+4,192	114,097	7,088	106,161	14.98
Rhode Island.....	8,254	8,182	6,483	8,433	6,752	29,850	-14,941	+10,044	615,138	28,616	600,052	20.97
Vermont.....	896	893	862	799	725	3,279	-909	+1,858	83,522	2,800	48,611	17.36
Region II-III:												
Delaware.....	724	550	1,705	690	625	3,540	+501	-1,516	50,830	3,250	47,554	14.63
New Jersey.....	49,427	36,989	44,564	43,942	39,224	164,719	-42,336	-27,382	3,184,286	156,632	3,088,399	19.72
New York.....	158,656	152,888	153,149	185,592	139,894	631,523	-114,290	-146,759	11,962,622	601,861	11,363,849	18.88
Pennsylvania.....	41,234	35,436	37,091	44,710	23,796	141,033	-60,370	-74,094	2,432,485	138,010	2,403,394	17.41
Region IV:												
District of Columbia.....	3,018	3,511	2,889	3,003	2,325	11,728	-1,409	+3,777	191,323	11,582	188,956	16.31
Maryland.....	5,616	6,185	5,894	6,298	6,360	24,721	-4,128	-13,771	437,522	22,139	402,163	17.87
North Carolina.....	5,993	5,292	3,723	4,862	4,239	19,985	-7,649	-2,843	233,065	19,273	227,463	11.80
Virginia.....	3,132	2,985	2,958	2,944	2,325	11,212	-3,870	-3,687	140,631	10,796	137,120	12.70
West Virginia.....	4,335	5,029	4,714	4,945	4,052	18,740	-2,816	-11,807	280,054	14,373	221,664	15.42
Region V:												
Kentucky.....	4,244	8,276	4,018	5,417	2,565	20,282	-8,249	-11,473	221,245	19,381	215,712	11.13
Michigan.....	37,997	26,380	19,282	25,444	19,595	90,700	-71,498	-27,818	1,693,028	79,024	1,570,332	19.87
Ohio.....	16,284	16,014	14,726	17,561	9,963	58,264	-20,408	-26,640	997,461	56,532	980,267	17.34
Region VI:												
Illinois.....	35,864	35,264	30,180	40,421	26,693	132,558	-53,330	-53,707	2,313,615	119,100	2,161,706	18.15
Indiana.....	6,420	5,240	5,434	6,522	5,243	25,143	+24	-1,531	423,500	23,516	407,823	17.34
Wisconsin.....	3,234	3,233	3,169	3,424	3,002	13,476	-1,251	+539	213,849	12,281	200,352	16.31
Region VII:												
Alabama.....	8,608	8,316	6,225	9,253	6,730	30,524	-12,428	-7,709	446,809	29,630	437,959	14.78
Florida.....	7,963	7,635	6,713	6,403	5,460	27,469	-16,273	+6,457	363,014	25,942	348,179	13.47
Georgia.....	6,662	6,986	5,896	6,651	4,690	24,223	-9,449	+8,903	327,522	23,446	319,403	13.62
Mississippi.....	2,513	2,410	1,859	2,596	2,040	9,123	-3,228	+1,554	110,601	8,428	105,416	12.51
South Carolina.....	4,557	3,000	2,907	3,562	2,556	12,025	-5,550	+2,826	171,668	11,680	168,828	14.45
Tennessee.....	13,404	10,574	12,731	12,806	11,894	48,005	-8,171	-2,332	630,746	46,477	617,538	13.29
Region VIII:												
Iowa.....	1,675	1,549	1,551	1,649	1,610	6,663	-340	-5,130	100,403	6,238	96,367	15.45
Minnesota.....	2,844	2,595	2,075	3,467	2,238	10,375	-3,786	-2,211	154,559	9,865	148,918	15.10
Nebraska.....	643	644	639	659	682	2,624	-379	-2,982	36,774	2,404	34,587	14.39
North Dakota.....	54	56	74	80	80	245	-76	-100	3,987	209	3,532	16.90
South Dakota.....	107	74	100	90	145	409	+53	-71	6,120	389	5,892	15.15
Region IX:												
Arkansas.....	3,479	3,456	2,796	3,686	2,755	12,693	-5,351	-4,919	190,246	11,931	181,710	15.23
Kansas.....	2,510	2,477	2,565	2,830	2,550	10,877	-776	-7,546	150,780	10,252	154,282	15.05
Missouri.....	13,019	11,949	10,930	12,636	9,919	45,434	-17,153	-25,086	705,301	43,619	601,762	15.86
Oklahoma.....	5,213	5,279	4,921	5,695	4,537	22,315	-3,193	-8,346	353,292	21,373	344,301	16.11
Region X:												
Louisiana.....	5,415	6,516	4,993	6,456	5,544	23,599	-6,848	-12,421	333,535	22,148	316,887	14.31
New Mexico.....	297	303	318	404	385	1,410	+37	+324	22,189	1,368	21,698	15.86
Texas.....	5,066	5,012	4,580	5,240	4,032	18,864	-9,074	-20,360	254,433	17,766	245,083	13.80
Region XI:												
Colorado.....	581	598	738	810	607	2,814	-541	-385	41,815	2,736	40,988	14.98
Idaho.....	421	435	309	588	446	1,778	-863	+631	31,684	1,707	30,757	18.02
Montana.....	605	582	679	727	692	2,647	+209	-227	41,281	2,647	41,281	15.60
Utah.....	1,385	1,649	1,621	2,334	1,350	6,954	+136	-1,185	151,214	5,980	136,720	22.86
Wyoming.....	131	125	85	197	166	595	+2	-48	10,579	557	10,143	18.21
Region XII:												
Arizona.....	1,245	1,092	1,244	1,137	900	4,373	-1,851	+1,419	79,080	4,185	76,722	18.33
California.....	90,366	88,657	81,835	87,548	72,126	330,902	-83,143	-87,460	6,122,570	315,382	5,929,008	18.80
Nevada.....	675	597	792	880	900	3,469	+326	+1,437	67,702	3,354	66,126	19.72
Oregon.....	6,620	6,326	7,310	10,070	8,245	31,957	+5,791	+5,143	527,058	30,653	513,505	16.75
Washington.....	17,161	16,348	17,164	21,528	21,390	80,218	+11,593	-81,890	1,379,355	77,606	1,342,607	17.30
Regions XIII and XIV:												
Alaska.....	242	283	227	553	466	1,529	+473	+642	35,023	1,485	34,274	23.08
Hawaii.....	852	689	829	882	592	3,112	+962	+1,594	55,060	2,384	48,407	20.30

<sup>1</sup> The number of individuals is assumed to be identical with the number of weeks compensated, which may result in a slight overstatement of the number of individuals.

<sup>2</sup> Gross; not adjusted for voided benefit checks and transfers under interstate combined-wage plan.

cent for the country as a whole, 6 States (Idaho, Minnesota, Montana, North Dakota, South Dakota, and Wyoming) of the 34 reporting more initial claims had increases of more than 100 percent. Decreases in 18 States ranged from 46 percent in Michigan to less than 1 percent in

Tennessee; in 10 of these States the decline was 6 percent or less.

## Nonfarm Placements

Nonfarm placements, reflecting the shorter workmonth and seasonal factors, declined 15 percent below the October figure to 450,957—the lowest number since May. All States but Georgia and North Dakota made fewer placements in November, and in 23 States the percentage decrease was greater than the decline reported for the country as a whole.

Placements of women dropped 12 percent from the October figure but continued to represent about the same proportion of total placements. Declines occurred in 39 States; 28 of these States reported decreases of more than 10 percent. Ten States made more placements during the month, but the rise was less than 9 percent in all except Georgia, where it was 35 percent.

Veterans' placements, totaling 149,613, were 17 percent fewer than in October. All but 3 States shared in the decline, which amounted to more than 20 percent in 22 States.

Table 5.—Unemployment in week ended November 8, 1947, as reflected by continued claims for unemployment insurance<sup>1</sup> as percent of average monthly covered employment in 1946

Region and State	Claims <sup>1</sup>	Average covered employment <sup>2</sup> (in thousands)	Claims as percent of covered employment
Total	709,607	29,961.2	2.4
Region I:			
Connecticut	8,296	593.3	1.4
Maine	3,153	167.2	1.9
Massachusetts	33,044	1,413.8	2.3
New Hampshire	2,471	126.0	2.0
Rhode Island	8,019	227.8	3.5
Vermont	1,001	61.4	1.6
Region II-III:			
Delaware	704	83.3	.8
New Jersey	44,886	1,221.7	3.7
New York	188,623	4,007.0	4.7
Pennsylvania	43,163	2,816.0	1.5
Region IV:			
District of Columbia	2,904	209.2	1.4
Maryland	6,642	321.1	1.3
North Carolina	5,836	384.9	1.0
Virginia	3,465	449.4	.8
West Virginia	6,768	346.9	2.0
Region V:			
Kentucky	6,748	333.7	2.0
Michigan	26,679	1,419.6	1.9
Ohio	21,169	2,017.4	1.0
Region VI:			
Illinois	40,356	2,191.6	1.8
Indiana	8,884	803.6	1.1
Wisconsin	4,178	667.8	.6
Region VII:			
Alabama	8,297	380.0	2.2
Florida	10,280	354.8	2.9
Georgia	8,266	486.8	1.7
Mississippi	2,980	168.5	1.8
South Carolina	3,985	279.5	1.4
Tennessee	17,090	461.8	3.7
Region VIII:			
Iowa	2,032	310.1	.7
Minnesota	3,676	508.1	.7
Nebraska	792	144.1	.5
North Dakota	82	34.0	.2
South Dakota	166	43.0	.4
Region IX:			
Arkansas	4,393	197.0	2.2
Kansas	3,339	208.7	1.6
Missouri	16,454	722.1	2.3
Oklahoma	6,534	237.6	2.8
Region X:			
Louisiana	7,636	379.5	2.0
New Mexico	540	72.2	.7
Texas	7,778	1,016.1	.8
Region XI:			
Colorado	1,044	174.5	.6
Idaho	844	76.7	1.1
Montana	898	83.2	1.1
Utah	2,671	106.2	2.5
Wyoming	176	46.2	.4
Region XII:			
Arizona	2,262	88.3	2.6
California	99,143	2,322.8	4.3
Nevada	1,065	36.9	2.9
Oregon	10,656	284.0	3.8
Washington	19,689	480.0	4.1

<sup>1</sup> Estimated number of continued claims for unemployment in the week in which the 8th of the month falls.

<sup>2</sup> Estimated number of workers in covered employment in the pay period of each type (weekly, monthly, etc.) ending nearest the 15th of the month; corrected to Oct. 28, 1947.

Table 6.—Claims and payments for veterans' unemployment allowances, November 1947<sup>1</sup>

State	Initial claims	Continued claims	Weeks compensated	Payments
Total	290,266	1,609,438	1,472,118	\$29,553,778
Alabama	7,545	45,480	42,935	856,382
Alaska	334	1,275	1,100	21,875
Arizona	2,056	7,641	7,570	149,972
Arkansas	5,237	28,710	26,235	530,667
California	31,307	141,364	130,214	3,226,495
Colorado	2,411	6,758	5,769	114,545
Connecticut	2,825	13,927	12,923	256,967
Delaware	708	2,856	2,787	85,104
District of Columbia	519	12,888	13,514	231,472
Florida	6,183	52,630	49,603	988,179
Georgia	5,666	46,892	41,333	824,484
Hawaii	460	2,299	1,992	39,657
Idaho	1,152	2,982	1,681	33,190
Illinois	10,233	57,235	46,891	928,638
Indiana	8,415	21,915	19,886	392,729
Iowa	2,242	5,641	4,906	87,156
Kansas	2,894	9,628	8,341	165,132
Kentucky	3,323	28,271	26,529	528,717
Louisiana	5,150	39,378	34,376	682,090
Maine	2,448	10,283	8,683	171,970
Maryland	3,010	15,025	14,000	277,873
Massachusetts	10,498	70,324	67,402	1,340,407
Michigan	10,660	56,118	45,406	902,039
Minnesota	8,893	11,754	11,255	222,718
Mississippi	3,212	15,288	12,834	255,736
Missouri	8,311	47,365	42,046	835,272
Montana	1,416	2,751	2,594	51,499
Nebraska	841	2,114	1,820	35,830
Nevada	393	1,379	1,368	27,186
New Hampshire	1,218	5,267	4,455	88,291
New Jersey	7,517	75,201	75,955	1,515,255
New Mexico	1,742	6,523	5,504	109,552
New York	47,071	198,372	184,220	3,320,421
North Carolina	4,660	28,684	25,517	508,159
North Dakota	460	416	283	5,701
Ohio	9,376	52,397	42,245	838,257
Oklahoma	4,433	28,290	26,383	565,972
Oregon	5,390	18,695	16,114	319,708
Pennsylvania	20,899	155,630	147,861	2,952,751
Puerto Rico	764	18,059	18,139	362,343
Rhode Island	1,577	15,614	14,794	294,805
South Carolina	3,486	32,242	26,492	527,789
South Dakota	659	1,240	1,030	20,526
Tennessee	4,488	54,009	48,192	961,808
Texas	9,855	64,970	56,879	1,132,855
Utah	1,734	4,101	3,380	66,172
Vermont	582	2,208	2,054	40,611
Virginia	3,437	17,312	17,634	350,225
Washington	7,098	28,394	23,065	456,871
West Virginia	4,260	38,333	33,734	672,935
Wisconsin	3,910	9,793	8,899	174,640
Wyoming	338	457	309	6,120

<sup>1</sup> Represents activities under provisions of title V of the Servicemen's Readjustment Act of 1944; excludes data for self-employed veterans.

<sup>2</sup> Not comparable with data for previous months.

Source: Data reported to the Readjustment Allowance Service, Veterans Administration, by unemployment insurance agencies in 48 States, the District of Columbia, Alaska, and Hawaii, and by the Veterans Administration for Puerto Rico.

Table 7.—Nonfarm placements by State, November 1947

U. S. Employment Service region and State	Total	Women	Veterans <sup>1</sup>	U. S. Employment Service region and State	Total	Women	Veterans <sup>1</sup>
<b>Total</b> .....	450,957	182,571	140,613	<b>Region VII—Continued.</b>			
<b>Region I:</b>				Georgia.....	10,405	3,767	2,586
Connecticut.....	6,948	2,700	2,037	Mississippi.....	6,593	2,099	1,958
Maine.....	3,821	941	1,209	South Carolina.....	7,470	1,638	2,653
Massachusetts.....	9,871	3,874	3,292	Tennessee.....	10,544	3,263	3,826
New Hampshire.....	1,802	575	675	<b>Region VIII:</b>			
Rhode Island.....	2,763	1,512	649	Iowa.....	7,565	1,711	3,186
Vermont.....	802	203	348	Minnesota.....	11,238	1,969	4,682
<b>Region II:</b>				Nebraska.....	4,057	730	1,061
New York.....	53,173	30,563	10,411	North Dakota.....	1,758	356	611
<b>Region III:</b>				South Dakota.....	1,471	273	657
Delaware.....	816	452	208	<b>Region IX:</b>			
New Jersey.....	9,871	5,224	2,354	Arkansas.....	7,332	2,459	2,434
Pennsylvania.....	23,080	9,403	8,242	Kansas.....	6,200	1,523	2,308
<b>Region IV:</b>				Missouri.....	7,255	2,202	2,589
District of Columbia.....	2,591	975	724	Oklahoma.....	8,902	2,348	3,570
Maryland.....	4,777	1,514	1,666	<b>Region X:</b>			
North Carolina.....	10,568	3,179	3,588	Louisiana.....	4,536	1,306	1,765
Virginia.....	7,472	2,920	1,900	New Mexico.....	3,948	706	1,927
West Virginia.....	3,158	1,025	1,119	Texas.....	41,507	12,027	14,487
<b>Region V:</b>				<b>Region XI:</b>			
Kentucky.....	3,508	1,149	1,267	Colorado.....	5,920	858	2,467
Michigan.....	11,788	2,387	4,843	Idaho.....	2,343	430	1,067
Ohio.....	23,656	6,982	7,530	Montana.....	2,171	321	1,060
<b>Region VI:</b>				Utah.....	2,396	573	936
Illinois.....	14,949	4,226	5,569	Wyoming.....	940	132	491
Indiana.....	10,251	3,319	3,029	<b>Region XII:</b>			
Wisconsin.....	8,637	2,850	3,185	Arizona.....	3,570	848	1,333
<b>Region VII:</b>				California.....	39,643	12,813	14,359
Alabama.....	13,675	4,158	3,836	Nevada.....	1,596	538	571
Florida.....	13,833	5,210	4,548	Oregon.....	4,969	1,180	2,064
				Washington.....	5,109	1,147	2,076

<sup>1</sup> Represents placements of veterans of all wars.

Source: Department of Labor, U. S. Employment Service.

## Old-Age and Survivors Insurance

### Applicants for Account Numbers, July–September 1947

The 811,000 applications for account numbers received in July–September 1947 were 16 percent less than the number in the third quarter of 1946 and thus sharpened the downward movement for the year in the number

of employee accounts established. This decline was exaggerated, however, by the abnormally heavy volume issued in July–September 1946, following curtailment of Selective-Service inductions. Nevertheless, the 8-percent increase from the second-quarter level was less than the usual seasonal rise.

Table 1.—Number of applicants for account numbers, by year, 1940–46, and first, second, and third quarters 1947, and estimated number of living account-number holders at end of each period

Period	Applicants for account numbers		Estimated number of living account-number holders 14 years and over as of end of period <sup>1</sup>			
	Total during period	Cumulative total as of end of period	Number	Percent of estimated population 14 years and over <sup>2</sup>		
				Total	Male	Female
1940.....	5,227,084	54,225,212	49,900,000	48.7	66.6	30.9
1941.....	6,677,901	60,903,113	56,000,000	54.0	72.0	36.0
1942.....	7,638,175	68,541,288	63,000,000	60.2	77.4	43.2
1943.....	7,425,670	75,966,958	69,400,000	65.7	80.7	50.8
1944.....	4,536,948	80,503,906	72,900,000	68.4	82.3	54.7
1945.....	3,321,384	83,825,290	75,300,000	70.0	83.4	56.9
1946.....	3,022,057	86,847,347	77,500,000	71.4	84.2	58.7
January–March 1947.....	808,980	87,656,327	77,700,000	71.4	84.4	58.8
April–June 1947.....	753,523	88,409,850	78,300,000	71.8	84.6	59.2
July–September 1947.....	810,555	89,220,405	78,800,000	72.1	84.9	59.7

<sup>1</sup> Estimated by adjusting the cumulative total of accounts established for duplications as well as for deaths; includes Alaska and Hawaii. Data subject to revision.<sup>2</sup> Population 14 years of age and over estimated by the Bureau of the Census; includes Alaska and Hawaii.

Applications filed by women declined somewhat more sharply than those filed by men. Consequently, accounts established for men and boys advanced slightly, to 48 percent of all accounts established, the largest proportion in any third quarter since 1942. For the first time in 5 years, however, this percentage was less than in the second quarter. Women applicants outnumbered men at all ages except 15 and younger, 17, 20–25, and 62 and over.

July–September was the fourth consecutive quarter in which the proportion of applicants under age 20 showed a gain over the figure a year earlier. These young people constituted 64 percent of the total, the largest third-quarter percentage on record. The relative number of boys under 20 years of age, however, was not as large as in the third quarter of 1943, 1944, or 1945. In absolute numbers, accounts established for children and youths increased only at ages 17 and 18.

The 20,000 applicants aged 60 and over represented 2.4 percent of the total, less than in any other quarter since April–June 1941 and in any other third quarter on record. Women continued to account for about 40 percent of all applicants in this age group, a proportion that has not varied by more than one percentage point in any third quarter since 1942, when only 23 percent of all applicants aged 60 and over were women.

During July–September, nearly 103,000 accounts were established for Negroes, a seasonal increase of 31 percent from the April–June level but a decline of 23 percent from the figure for the third quarter of 1946. In absolute numbers this decrease was especially marked in the case of Negro women and girls. Consequently, although Negroes have accounted for a larger proportion of women than of men applicants in almost every quarter since 1942, the relative number of Negro applicants in July–September 1947 was larger for men (13 percent) than for women (12 percent).

By the end of September 1947, 88.9 million employee accounts had been established. An estimated 78.8 million living persons, or about 72 percent of the estimated population aged 14 and over, held account numbers.



Table 2.—Distribution of applicants for account numbers by sex, race, and age group, July-September 1947

Age group	Total			Male			Female		
	Total	White <sup>1</sup>	Negro	Total	White <sup>1</sup>	Negro	Total	White <sup>1</sup>	Negro
Total.....	810,555	707,913	102,642	389,079	338,315	50,764	421,476	369,598	51,878
Under 15.....	68,916	60,574	8,342	47,964	41,578	6,386	20,952	18,996	1,956
15-19.....	452,939	400,111	52,828	214,296	185,260	29,036	238,643	214,851	23,792
20-39.....	181,748	150,263	31,485	83,872	72,403	11,469	97,876	77,855	20,021
40-59.....	87,229	78,590	8,639	31,185	28,180	3,005	56,044	50,410	5,634
60-64.....	10,164	9,566	598	5,130	4,786	344	5,034	4,780	254
65-69.....	5,571	5,124	447	3,509	3,209	300	2,062	1,915	147
70 and over.....	3,874	3,603	271	3,033	2,818	215	841	785	56
Unknown.....	114	82	32	90	76	14	24	6	18

<sup>1</sup> Represents all races other than Negro.

Table 3.—Distribution of account-number applicants under 20 years of age, by sex and age, July-September, 1947 and 1946

Age	Total			Male			Female		
	July-September		Per-centage change	July-September		Per-centage change	July-September		Per-centage change
	1947	1946		1947	1946		1947	1946	
Under 20, total.....	521,855	582,502	-10.4	262,260	287,140	-8.7	259,595	295,362	-12.1
Under 18, total.....	401,704	464,969	-13.6	208,712	241,553	-13.6	192,992	223,416	-13.6
Under 14.....	24,366	31,851	-23.5	19,103	24,409	-21.7	5,263	7,442	-29.3
14.....	44,550	62,476	-28.7	28,861	38,118	-24.3	15,689	24,358	-35.6
15.....	83,136	99,957	-16.8	49,081	54,360	-9.7	34,055	45,597	-25.3
16.....	143,066	165,205	-13.4	88,360	78,029	-25.2	54,706	87,176	-2.8
17.....	106,586	105,480	+1.0	53,307	46,637	+14.3	53,279	58,843	-9.5
18.....	81,731	77,812	+5.0	36,347	29,250	+24.3	45,384	48,562	-6.5
19.....	38,420	39,721	-3.3	17,301	16,337	+5.3	21,119	23,384	-9.3

### Estimated Number of Workers With Permanently Insured Status on January 1, 1948

An estimated 11.6 million workers<sup>1</sup> had permanently insured status under old-age and survivors insurance on January 1, 1948, an increase of 3 million over the estimated number on January 1, 1947. All fully insured workers who have attained age 65 before 1948 are permanently insured. Workers who attain age 65 after 1947 but before 1957 can achieve permanently insured status when they acquire the number of quarters of coverage they will need to be fully insured at that age. This number will vary from 22 to 39 depending on

the date the worker reaches age 65. Workers attaining age 65 after 1956 need 40 quarters of coverage to be permanently insured.

The following tabulation shows a comparison of the estimated number of permanently insured persons at the beginning of 1947 and 1948, by quarter of coverage requirements:

Quarters of coverage required for permanently insured status	Workers permanently insured at beginning of year (in millions)		
	1947	1948	Increase, 1947 to 1948
Total.....	8.6	11.6	3.0
40.....	4.8	7.7	2.9
6-39.....	3.8	3.9	.1

Nearly all of the increase of 3 million represents permanently insured workers who had at least 40 quarters of coverage on January 1, 1948. Those workers who did not have a quarter of

coverage in each of the 40 calendar quarters elapsing between January 1, 1937, and December 31, 1946, could qualify during 1947 for the first time under the "40 quarters of coverage" provision. On the other hand, workers needing less than 40 quarters of coverage to be permanently insured include a substantial number who could have acquired this status long before October 1, 1946—some, in fact, as early as the second quarter of 1938.

A distribution of this total of 11.6 million persons permanently insured on January 1, 1948, by sex, age, and quarter of coverage requirements, is as follows:

Age at birthday in 1947	Quarters of coverage required for permanently insured status	Workers permanently insured on Jan. 1, 1948 (in millions)		
		Total	Male	Female
Total.....	6-40	11.6	9.6	2.0
Under 56.....	40	7.7	6.2	1.5
56-64.....	22-39	2.1	1.8	.3
65 and over.....	6-21	1.8	1.6	.2

<sup>1</sup> About 875,000 of these workers were receiving primary benefits—that is, were in current-payment status—at the end of 1947.

At the beginning of 1948, nearly one out of every three fully insured workers was permanently insured, as against approximately one in four a year earlier. The effect of the more liberal requirement for permanently insured status at the older ages is illustrated in a comparison, by age, of the number of fully insured and permanently insured workers:

<sup>1</sup> The estimates presented in this note are preliminary and are based on projections of wage and employment data through the calendar year 1945, derived from the 1-percent continuous work-history sample.

**Table 4.—Monthly benefits in current-payment status<sup>1</sup> at the end of the month, by type of benefit and month, November 1946–November 1947, and monthly benefit actions, by type of benefit, November 1947**

[Amounts in thousands; data corrected to Dec. 17, 1947]

Item	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
<b>Monthly benefits in current-payment status at end of month:</b>														
<b>1946</b>														
November.....	1,626,693	\$30,777.8	695,132	\$17,063.3	213,725	\$2,775.0	457,120	\$5,741.6	124,451	\$2,515.0	128,965	\$2,587.0	7,300	\$95.8
December.....	1,642,299	31,080.8	701,703	17,229.6	215,984	2,804.9	461,756	5,804.0	127,046	2,568.3	128,410	2,670.8	7,398	97.3
<b>1947</b>														
January.....	1,672,301	31,694.8	717,570	17,625.3	220,757	2,868.3	467,532	5,882.2	130,017	2,620.1	128,959	2,591.6	7,466	98.3
February.....	1,708,848	32,467.2	737,315	18,134.1	227,003	2,953.4	473,908	5,971.4	133,043	2,692.5	129,908	2,614.5	7,671	101.2
March.....	1,738,841	33,099.1	753,091	18,540.2	231,587	3,015.5	479,946	6,057.4	135,634	2,746.6	130,668	2,634.6	7,915	104.7
April.....	1,771,600	33,760.7	767,780	18,922.3	236,341	3,080.2	487,755	6,165.8	139,357	2,823.6	132,079	2,667.9	8,288	110.0
May.....	1,805,219	34,480.2	784,083	19,353.9	241,224	3,148.4	494,889	6,266.7	142,857	2,896.2	133,443	2,700.0	8,653	115.0
June.....	1,832,285	35,071.5	797,927	19,722.2	245,364	3,206.0	499,246	6,328.0	146,124	2,955.6	134,673	2,730.4	8,951	119.2
July.....	1,855,330	35,598.5	811,586	20,087.0	249,540	3,265.1	500,495	6,345.0	149,173	3,030.5	135,350	2,747.7	9,186	122.6
August.....	1,876,967	36,094.9	824,265	20,428.5	253,214	3,318.3	502,706	6,378.5	151,770	3,085.8	135,636	2,758.6	9,376	125.2
September.....	1,903,351	36,655.7	836,861	20,765.9	257,344	3,377.3	509,005	6,469.3	154,865	3,150.9	135,715	2,764.4	9,561	127.9
October.....	1,930,719	37,245.9	849,841	21,120.9	261,523	3,437.6	515,933	6,571.9	158,410	3,226.3	135,272	2,758.7	9,740	130.5
November.....	1,952,441	37,711.8	860,827	21,410.8	265,034	3,487.5	520,478	6,638.8	161,145	3,285.1	135,070	2,756.9	9,887	132.8
<b>Monthly benefit actions, November 1947:</b>														
In force <sup>2</sup> beginning of month.....	2,200,662	43,090.1	999,732	25,028.0	299,433	3,950.7	547,937	6,975.4	161,120	3,279.3	182,588	3,724.7	9,852	132.0
Benefits awarded in month.....	41,956	896.9	20,652	534.1	7,062	98.4	7,820	108.0	3,405	71.6	2,823	62.0	194	2.9
Entitlements terminated <sup>3</sup> .....	13,892	258.4	4,621	116.4	2,270	29.7	3,916	50.8	645	12.4	2,380	48.4	51	.7
Net adjustments <sup>4</sup> .....	14	10.2	—100	4.6	—83	—2	108	3.3	—7	—1	2	2.3	2	(9)
In force end of month.....	2,228,740	43,738.8	1,015,663	25,470.3	304,153	4,019.7	551,949	7,035.9	163,873	3,338.3	183,105	3,740.5	9,997	134.2

<sup>1</sup> Benefit in current-payment status is subject to no deduction or only to deduction of fixed amount which is less than current month's benefit.

<sup>2</sup> Represents total benefits awarded (including benefits in current, deferred, and conditional-payment status) after adjustment for subsequent changes in number and amount of benefits (see footnote 4) and terminations (see footnote 3), cumulative from January 1940.

<sup>3</sup> Benefit is terminated when a beneficiary dies or loses entitlement to a benefit for some other reason.

<sup>4</sup> Adjustments result from operation of maximum and minimum provisions and from recomputations and administrative actions.

<sup>5</sup> Less than \$50.

Age at birthday in 1947	Workers fully insured <sup>1</sup> as of January 1, 1948		
	Total (in millions)	Workers permanently insured	
		Number (in millions)	Percent of fully insured
Total.....	36.8	11.6	32
Under 56.....	32.2	7.7	24
56-64.....	2.8	2.1	75
65 and over.....	1.8	1.8	100

<sup>1</sup> Not adjusted for veterans deemed to be fully insured under section 210 of title II of the Social Security Act, as amended in 1946.

### Monthly Benefits in Current-Payment Status, November 1947

At the end of November, almost 2 million persons had monthly benefits in current-payment status at a monthly rate of \$37.7 million (table 4). During the month the number of primary benefits in force exceeded 1 million for the first time. The half million mark was reached in May 1945, almost 5½ years after benefits were first payable; the second half million came within only 2½ years,

because of the large number of retirement claims after the cessation of hostilities.

Monthly benefits awarded during November totaled 42,000, 26 percent less than the October record and the lowest number for any month in 1947. For each type of benefit, fewer awards

were processed in November than in October; the decrease ranged from 22 percent for widow's benefits to 30 percent for widow's current benefits.

During November, \$39.9 million was certified for monthly benefit payments and \$2.1 million for lump-sum death payments.

## Public Assistance

### State and Local Expenditures for Assistance in Relation to Income Payments

In the United States, 1946 was a year of increasing want in the midst of unprecedented prosperity. Income payments to individuals rose to an all-time high of \$169 billion, while State and local expenditures for old-age assistance, aid to dependent children, and aid to the blind reached a peak level of \$616 million.<sup>1</sup> When

<sup>1</sup> Represents expenditures for the fiscal year 1946-47. See footnote 1, table 1.

general assistance payments are included, total State and local expenditures amounted to \$760 million. Except for payments in 1939, this is the largest annual amount spent for these programs since the Social Security Act became effective in 1936. Most welfare agencies adjusted assistance payments upward in 1946 in the effort to keep pace with the increasing costs of food, clothing, and shelter. Rising prices were responsible also for the increase in requests

For the same period, expenditures from Federal funds for assistance payments rose to a high of \$580 million. Excludes Alaska and Hawaii.

for assistance from needy individuals whose hitherto adequate resources had depreciated in real value. The continued growth of the aged and child population was another factor in the rise in expenditures.

Three-fourths of the States exerted greater fiscal effort than in the preceding year by allotting a larger proportion of their income payments for the support of the public assistance programs. Of the 13 States where the ratio of assistance expenditures to in-

come payments either remained the same or went down, only Indiana, Virginia, and West Virginia decreased assistance expenditures; in the other 10 States,<sup>1</sup> the percentage increase in assistance expenditures was about the same as or smaller than that in income payments (table 1).

The percentage changes among the

<sup>1</sup>Iowa, Minnesota, Montana, Nevada, New Hampshire, North Carolina, North Dakota, South Dakota, Tennessee, and Vermont.

Table 1.—Percentage change in income payments and State and local expenditures for public assistance payments from 1945 to 1946; State and local expenditures for assistance as a percent of income payments, 1945 and 1946; and amount expended per inhabitant from State and local funds, 1946; by State<sup>1</sup>

State	Percentage change, 1945 to 1946		State and local expenditures for assistance			
	Income payments	State and local expenditures for assistance	Percent of income payments			Amount expended per inhabitant, 1946
			1945	1946	Percentage change, 1945 to 1946	
United States average.....	+9.1	+18.1	0.41	0.45	+10	\$5.49
Alabama.....	+2.8	+18.0	.25	.28	+12	2.12
Arizona.....	+5.0	+26.4	.58	.69	+19	7.00
Arkansas.....	+9.0	+15.1	.31	.33	+6	2.31
California.....	+9.0	+13.9	.51	.53	+4	8.42
Colorado.....	+8.6	+18.4	1.12	1.22	+9	15.25
Connecticut.....	+9.2	+11.2	.25	.26	+4	3.81
Delaware.....	+9.4	+29.4	.11	.13	+18	1.98
District of Columbia.....	+8.0	+33.6	.08	.10	+25	2.14
Florida.....	+2.0	+20.2	.40	.50	+25	5.24
Georgia.....	+5.0	+12.0	.25	.26	+4	2.19
Idaho.....	+12.0	+35.9	.53	.64	+21	8.06
Illinois.....	+12.4	+18.1	.43	.45	+5	6.80
Indiana.....	+6.9	—	.29	.26	-10	3.10
Iowa.....	+26.8	+4.0	.50	.41	-18	4.83
Kansas.....	+4.4	+26.6	.44	.53	+20	5.73
Kentucky.....	+10.5	+19.6	.22	.24	+9	1.91
Louisiana.....	—	+9.2	.48	.52	+8	4.18
Maine.....	+8.3	+10.9	.53	.55	+4	5.74
Maryland.....	+8.6	+21.1	.20	.23	+15	2.93
Massachusetts.....	+11.3	+13.4	.65	.67	+3	9.15
Michigan.....	+8.5	+14.1	.50	.53	+6	6.43
Minnesota.....	+17.9	+6.8	.58	.52	-10	5.71
Mississippi.....	-1.9	+7.2	.28	.30	+7	1.72
Missouri.....	+15.2	+23.3	.58	.62	+7	7.19
Montana.....	+20.5	+7.1	.64	.48	-11	6.70
Nebraska.....	+11.7	+25.4	.46	.52	+13	6.06
Nevada.....	+11.9	+9.3	.26	.25	-4	4.40
New Hampshire.....	+18.0	+8.1	.47	.43	-9	4.57
New Jersey.....	+6.7	+17.6	.15	.16	+7	2.35
New Mexico.....	+0.6	+26.4	.49	.57	+16	5.35
New York.....	+11.9	+45.1	.32	.42	+31	7.04
North Carolina.....	+15.6	+4.4	.16	.15	-6	1.26
North Dakota.....	+10.2	+10.3	.50	.50	0	5.81
Ohio.....	+7.6	+20.3	.34	.38	+12	4.93
Oklahoma.....	+2.6	+21.5	1.22	1.44	+18	12.07
Oregon.....	+6.0	+24.2	.52	.61	+17	7.26
Pennsylvania.....	+9.3	+22.3	.40	.45	+12	5.56
Rhode Island.....	+5.2	+18.7	.37	.42	+14	5.72
South Carolina.....	+8.0	+14.7	.25	.27	+8	2.01
South Dakota.....	+12.5	+6.0	.44	.42	-5	5.14
Tennessee.....	+3.8	+1.6	.25	.24	-4	2.06
Texas.....	+3.4	+4.7	.43	.44	+2	4.32
Utah.....	+6.2	+19.8	.81	.91	+12	10.08
Vermont.....	+15.7	+7.1	.34	.31	-9	3.39
Virginia.....	+4.0	-2.8	.11	.10	-9	.98
Washington.....	+2.2	+8.1	1.13	1.30	+15	17.23
West Virginia.....	+12.5	-1.3	.27	.23	-15	2.15
Wisconsin.....	+11.3	+14.4	.39	.40	+3	4.77
Wyoming.....	+16.7	+37.1	.40	.47	+18	6.02

<sup>1</sup> Expenditures for public assistance from State and local funds exclude amounts spent for administration and are for fiscal years 1945-46 and 1946-47;

these expenditures are related respectively to income payments for calendar years 1945 and 1946.

States in assistance expenditures and in income payments from 1945 to 1946 varied considerably from the increases for the Nation as a whole, which were 18.1 and 9.1 percent, respectively. Increases in public assistance expenditures of 5 percent or more occurred in 42 of the 46 States with larger assistance expenditures than in 1945. A third of the States had percentage increases of more than 20 percent, with the largest (45.1 percent) in New York. The increases in income payments were 5 percent or more in 39 of the 46 States. Only 2 States had increases in income payments that exceeded 20 percent; Iowa's gain of almost 27 percent ranked highest. Three States—Florida, Louisiana, and Mississippi—had small declines in income payments. A distribution of the States by the percentage changes in State and local expenditures for assistance and in income payments is shown below:

Percentage change	Number of States with specified percentage change in—	
	State and local assistance expenditures	Income payments
Total.....	49	49
Decline.....	3	3
Increase:		
0-4.9.....	4	7
5-9.9.....	9	20
10-14.9.....	9	11
15-19.9.....	8	6
20 or more.....	16	2

For all States combined, State and local expenditures for assistance took less than one-half of 1 percent of the national income in 1946. The increase of 18.1 percent in assistance expenditures from State and local funds was about twice the rate of increase for income payments. As a result, the ratio of assistance expenditures to income payments rose from 0.41 percent in 1945 to 0.45 percent in 1946. This seemingly small upward change represented a combination of sizable increases amounting to \$117 million in assistance expenditures and to \$14 billion in income payments.

Though the States, as a group, used about 0.45 percent of their income payments for assistance expenditures in 1946, the fiscal effort, that is, the



ratio of assistance expenditures to income payments, exerted by the individual States varied widely from this average. Oklahoma, Colorado, and Washington used more than 1 percent of their income payments for public assistance. At the other extreme, the District of Columbia, Virginia, and Delaware spent about one-ninth of 1 percent, or approximately one-fourth of the national average. The range was from 0.10 percent for the District of Columbia and Virginia to 1.44 percent for Oklahoma. State ratios of assistance expenditures to income payments in 1946 were distributed as follows:

Assistance expenditures as percent of income payments	Number of States
0.00-0.19.....	5
.20-.39.....	14
.40-.59.....	21
.60-.79.....	5
.80-.99.....	1
1.00 and over.....	3

The relative fiscal effort of the States seems to follow rather distinct regional patterns somewhat different from those for fiscal ability as measured by per capita income. Most of the Western States<sup>a</sup> are below average in ability. All but three of them, however, exert fiscal effort above the national average. The Eastern States,<sup>b</sup> which generally have above-average incomes, and the Southern States,<sup>c</sup> with the least resources in the Nation, are below the average in effort. The Central States<sup>d</sup> divide themselves above and below the national average in both effort and ability.

The ratio of State and local assistance expenditures to income payments increased from 1945 to 1946 in 36 of the 49 States, remained the same in 1 State, and declined in the remaining 12 States (table 1). The distribution of States by the percent-

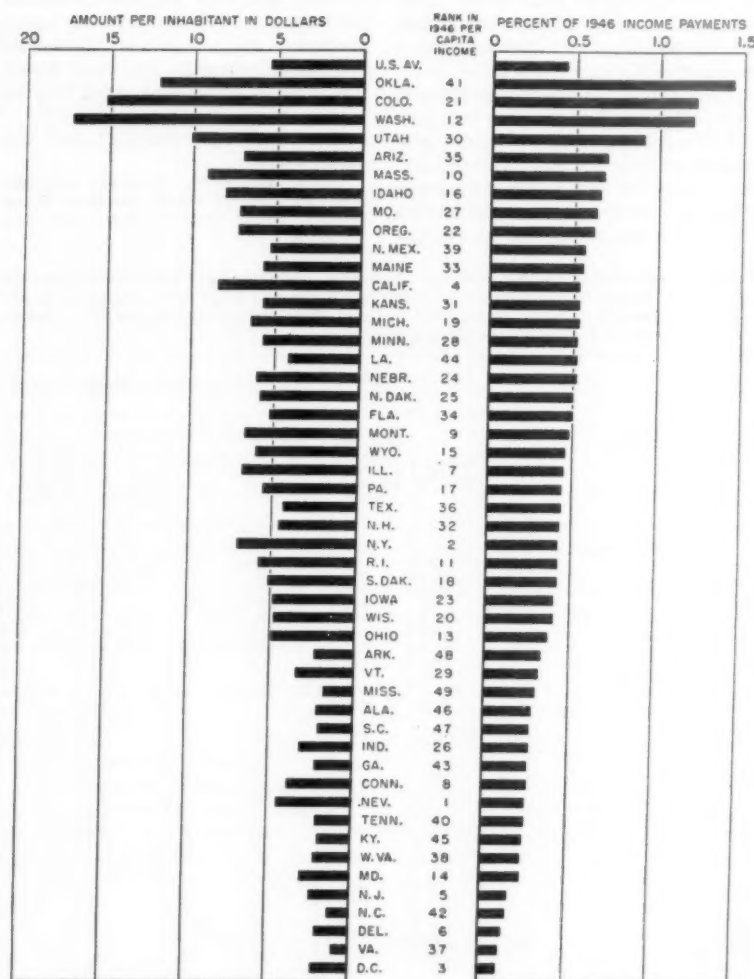
<sup>a</sup> Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming.

<sup>b</sup> Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, and West Virginia.

<sup>c</sup> Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia.

<sup>d</sup> Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Ohio, and Wisconsin.

Chart 1.—Expenditures for public assistance from State and local funds, fiscal year 1946-47



age change in this ratio from 1945 to 1946 is as follows:

Percentage change	Number of States with specified percentage change from 1945 to 1946
Total .....	49
Decline .....	12
None .....	1
Increase .....	36
Less than 5 .....	7
5-9 .....	11
10-14 .....	6
15 or more .....	12

The wide variation in the amounts expended per inhabitant from State

and local funds for assistance payments reflects differences in both fiscal ability and fiscal effort. Thus New York State, which ranks high in per capita income, and Texas, which is below average, each spent about the same proportion of their income payments for assistance. In New York this proportion amounted to \$7.04 per inhabitant, but in Texas it came to only \$4.32. Oklahoma, a low-income State, greatly surpassed most States in fiscal effort and, as a result, spent \$12.07 per inhabitant for assistance. In contrast, Tennessee, also a low-

Table 2.—Public assistance in the United States, by month, November 1946–November 1947<sup>1</sup>

Year and month	Total	Old-age assistance	Aid to dependent children		Aid to the blind	General assistance	Total	Old-age assistance	Aid to dependent children		Aid to the blind	General assistance
			Families	Children					Families	Children		
Number of recipients							Percentage change from previous month					
November 1946		2,174,616	337,197	862,356	76,165	298,000		+0.9	+2.3	+2.1	+0.6	+2.8
December 1946		2,195,806	346,235	885,227	76,680	315,000		+1.0	+2.7	+2.7	+0.7	+5.5
January 1947		2,212,945	354,378	905,855	76,986	336,000		+8	+2.4	+2.3	+4	+6.6
February 1947		2,227,868	363,649	929,705	77,272	344,000		+7	+2.6	+2.6	+4	+2.7
March 1947		2,243,392	374,387	957,134	77,677	344,000		+7	+3.0	+3.0	+5	-1
April 1947		2,255,525	384,053	979,620	77,954	339,000		+5	+2.6	+2.3	+5	-1.6
May 1947		2,259,677	391,312	996,959	78,648	338,000		+2	+1.9	+1.8	+9	-3
June 1947		2,271,007	396,148	1,009,475	79,033	335,000		+5	+1.2	+1.3	+5	-7
July 1947		2,279,507	399,688	1,017,730	79,341	334,000		+4	+9	+8	+4	-4
August 1947		2,289,262	404,014	1,027,974	79,718	333,000		+4	+1.1	+1.0	+5	-3
September 1947		2,297,945	407,610	1,037,210	80,045	332,000		+4	+9	+9	+5	-6
October 1947		2,314,787	412,448	1,047,863	80,484	335,000		+7	+1.2	+1.0	+5	+1.1
November 1947		2,323,989	416,912	1,046,146	80,822	340,000		+4	-4	-2	+4	+1.3
Amount of assistance							Percentage change from previous month					
November 1946	\$110,385,737	\$76,080,252	\$20,411,575	\$2,762,910	\$11,131,000		+2.7	+2.5	+3.4		+1.8	+2.7
December 1946	114,314,109	77,531,118	21,545,133	2,811,858	12,426,000		+3.6	+1.9	+5.6		+1.8	+11.6
January 1947	116,678,504	78,314,543	22,085,013	2,829,948	13,449,000		+2.1	+1.0	+2.5		+6	+8.2
February 1947	118,228,265	78,962,347	22,786,969	2,851,949	13,627,000		+1.3	+8	+3.2		+6	+1.3
March 1947	121,027,434	80,732,176	23,712,901	2,920,357	13,662,000		+2.4	+2.2	+4.1		+2.4	+3
April 1947	121,883,788	81,165,674	24,118,180	2,943,904	13,656,000		+7	+5	+1.7		+8	(9)
May 1947	122,026,637	81,136,125	24,265,593	2,971,009	13,600,000		+1	(9)	+7		+9	-4
June 1947	122,413,622	81,842,124	24,434,095	2,997,433	13,140,000		+3	+8	+6		+9	-3.4
July 1947	123,422,407	82,050,753	24,865,393	3,034,261	13,472,000		+8	+3	+1.8		+1.2	+2.5
August 1947	124,973,805	83,317,307	25,221,353	3,055,145	13,380,000		+1.3	+1.6	+1.4		+7	-7
September 1947	125,906,660	83,877,538	25,472,965	3,075,157	13,481,000		+7	+7	+1.0		+7	+8
October 1947	128,418,513	85,201,373	25,961,309	3,167,831	14,088,000		+2.0	+1.6	+1.9		+3.0	+4.5
November 1947	128,723,531	85,770,698	25,736,985	3,187,878	14,027,000		+2	+7	-9		+6	-4

<sup>1</sup> Data subject to revision. Excludes program administered without Federal participation in States administering such programs concurrently with programs under the Social Security Act.

<sup>2</sup> Decrease of less than 0.05 percent.

Table 3.—Old-age assistance: Recipients and payments to recipients, by State, November 1947<sup>1</sup>

State	Number of recipients	Payments to recipients		Percentage change from—				State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	October 1947 in—		November 1946 in—				Total amount	Average	October 1947 in—		November 1946 in—	
				Number	Amount	Number	Amount					Number	Amount	Number	Amount
Total.....	2,323,989	\$85,770,698	\$36.91	+0.4	+0.7	+6.9	+12.7	Mo.....	115,540	\$3,731,883	\$32.30	+0.3	+0.9	+6.6	+0.8
Ala.....	60,997	1,145,708	18.78	+1.5	+2.5	+40.7	+40.6	Mont.....	10,775	421,848	39.15	+4	+9	+1.5	+8.3
Alaska.....	1,373	58,985	42.96	+1.7	+1.1	-1	+3	Nebr.....	24,300	945,957	38.93	-2	+3.3	-1.9	+4.4
Ariz.....	10,747	513,593	47.79	+6	+5	+8.9	+5.2	Nev.....	2,097	101,147	48.23	+1.1	+1.3	+7.9	+22.6
Ark.....	44,188	804,288	18.20	+1.7	+1.8	+48.6	+27.7	N. H.....	6,813	264,614	38.84	-1	+1.0	+2.5	+16.5
Calif.....	179,720	10,250,938	57.04	+9	+8	+8.8	+19.5	N. J.....	23,392	980,220	41.90	+3	+7	+1.9	+8.6
Colo.....	43,874	2,843,068	64.80	+6	+5	+6.6	+6.4	N. Mex.....	8,382	295,078	35.20	+1.3	+8	+15.6	+11.7
Conn.....	15,226	734,776	48.26	+6	+3.1	+2.2	+17.1	N. Y.....	109,522	5,415,344	49.45	+1	+1.4	+4.1	+19.6
Del.....	1,271	30,747	24.19	+9	+1.9	+7.7	+30.2	N. C.....	41,666	750,185	18.00	+1.1	+5	+19.8	+40.3
D. C.....	2,240	88,512	39.51	-3	+8	-1.6	-4	N. Dak.....	8,844	339,372	38.37	-5	-1.2	+1	+2.0
Fla.....	55,583	2,077,901	37.38	+8	+1.4	+14.2	+19.6	Ohio.....	122,798	4,951,711	40.32	+1	+4	+3.1	+9.3
Ga.....	77,268	1,307,513	16.92	+1	(2)	+5.3	+19.5	Okla.....	96,683	4,104,649	42.45	-2	+4	+7.3	+8.1
Hawaii.....	1,867	63,540	34.03	+2.2	+2.0	+21.2	+54.7	Oreg.....	21,952	938,044	42.73	+2	+5	+1.7	-1.9
Idaho.....	10,458	435,688	41.66	-2	-1	+2.5	+2.9	Pa.....	89,998	3,054,220	33.94	-2	-2	+1.1	+6
Ill.....	126,471	5,010,517	39.62	+1	-3	+7	+6.6	R. I.....	8,900	365,171	41.50	+1.0	+1.8	+10.5	+26.6
Ind.....	50,719	1,583,987	31.23	(9)	+6	-9.2	+4.4	S. C.....	31,902	629,186	19.72	+1.2	+1.3	+25.0	+19.1
Iowa.....	48,444	1,990,347	41.09	+1	+9	+1	+16.9	S. Dak.....	12,220	388,640	31.80	-3	-3	-3.7	-4.9
Kans.....	35,090	1,377,567	39.26	+6	+1.0	+9.5	+25.8	Tenn.....	49,655	1,015,747	20.46	+1.0	+7	+25.0	+24.8
Ky.....	50,747	879,478	17.33	+1.1	+1.2	+15.2	+15.2	Tex.....	198,043	5,958,087	30.08	+5	+6	+5.8	+15.0
La.....	52,721	1,145,051	21.68	+1.1	+1.9	+19.9	+9.8	Utah.....	11,523	497,320	43.16	+6	+8	+11.7	+15.5
Maine.....	14,747	460,166	31.20	+4	-2.9	-3.2	-4.3	Vt.....	5,826	101,118	32.80	+4	+7	+7.7	+24.3
Md.....	11,877	376,477	31.70	+2	+1.1	+1.3	+3	Wash.....	16,362	293,610	17.94	+4	+2.2	+8.8	+17.1
Mass.....	86,954	4,742,654	54.54	+5	+2.4	+5.2	+14.2	W. Va.....	21,855	443,903	20.31	+8	+7	+11.3	+15.5
Mich.....	91,649	3,481,871	37.99	-1.6	-1.0	+7	+6.8	Wis.....	47,423	1,739,309	36.68	+2	+7	+1.5	+7.2
Minn.....	54,325	2,278,127	41.94	(9)	+2	-4	+20.6	Wyo.....	3,825	185,334	48.45	+2	(2)	+5.4	+4.8
Miss.....	41,616	662,008	15.95	+3.4	-8	+24.6	+16.9								

<sup>1</sup> For definitions of terms see pp. 24-26. All data subject to revision.

<sup>2</sup> Decrease of less than 0.05 percent.

<sup>3</sup> Increase of less than 0.05 percent.

income State, spent only a sixth as much of its income for assistance and only one-sixth as much per inhabitant as Oklahoma.

## Public Assistance Terms

Public assistance programs provide aid to families or persons on the basis

of need and usually also of other eligibility conditions. Public programs providing allowances or benefits to persons on a basis other than need

Table 4.—General assistance: Cases and payments to cases, by State, November 1947<sup>1</sup>

State	Number of cases	Payments to cases		Percentage change from—			
		Total amount	Average	October 1947 in—		November 1946 in—	
				Number	Amount	Number	Amount
Total <sup>2</sup> .....	340,000	\$14,027,000	\$41.29	+1.3	-0.4	+13.8	+26.0
Ala.....	5,705	88,409	15.50	+1.0	+1.2	+26.1	+23.3
Alaska.....	129	4,000	31.01	+13.2	+7	-11.6	-15.2
Ariz.....	1,992	57,493	28.86	-1.0	-1.5	-7.9	-7.4
Ark.....	2,679	32,434	12.11	+1.0	+5	+1.2	+1.6
Calif.....	24,242	1,121,165	46.25	+4.2	-8	+25.1	+25.5
Colo.....	3,946	159,631	40.45	+3.8	+6.4	+5.8	+20.8
Conn.....	3,373	142,007	39.77	+4.4	+6	+23.9	+23.3
Del.....	749	28,375	37.88	0	-1.9	+42.7	+53.5
D. C.....	1,096	47,499	43.31	+2.1	+3.9	+12.0	+7.2
Fla.....	4,160	61,400					
Ga.....	3,150	48,163	15.29	+2.2	+2.4	+17.1	+31.3
Hawaii.....	913	43,326	47.45	-5.7	-0.7	+21.6	+37.7
Idaho.....	508	14,907	29.34	+1.4	+2.9	+6	+10.9
Ill.....	23,971	1,133,379	47.28	+1.4	+1.9	+16.1	+24.9
Ind.....	9,439	241,308	25.56	+5.6	+10.1	-1.1	-6
Iowa.....	3,611	97,722	27.06	+4.3	+8.6	-12.5	-2.1
Kans.....	4,896	194,732	42.46	-1	+2.0	+13.8	+25.0
Ky.....	2,000	33,000					
La.....	9,117	201,134	22.06	-5	+6	+17.4	+21.9
Maine.....	2,373	90,825	40.80	+4.8	+4.1	+18.2	+24.7
Md.....	4,083	152,278	37.30	+1.5	+1.1	-44.2	-45.8
Mass.....	15,849	666,615	42.06	+1.4	+3	+16.8	+27.1
Mich.....	22,471	914,858	40.71	+1.7	-15.7	+19.7	+20.2
Minn.....	5,809	247,227	42.12	+2.1	+3.9	+6.9	+23.1
Miss.....	805	4,823	9.55	+6	-5.1	+26.6	+30.6
Mo.....	11,431	290,454	26.20	+1.6	+3.8	+4.7	-6.7
Mont.....	1,306	35,234	26.98	+0.7	-5.0	+15.6	+17.2
Nebr.....	1,574	43,482	27.63	+4.0	+2.1	-14.6	-9.1
Nev.....	227	5,627	24.79	-9	-6.8	-13.7	+2.0
N. H.....	1,116	40,967	36.71	+2.5	+8.9	+17.2	+26.7
N. J.....	6,061	307,114	50.67	+1.7	+1.9	+20.4	+30.9
N. Mex.....	1,789	37,400	20.91	-2	-1.0	+15.8	+10.4
N. Y.....	61,660	4,185,087	67.87	-1.4	+1	+45.5	+76.4
N. C.....	3,066	43,177	14.08	+3.8	+5.8	+12.1	+20.5
N. Dak.....	646	21,682	33.56	+7.7	+12.5	-5.8	+4.0
Ohio.....	19,873	859,745	43.26	+2.8	+4.5	+19.8	+33.3
Okl.....	10,500	65,807	(10)		+1.6	(10)	+8.5
Oreg.....	5,302	239,932	45.25	+20.9	+17.3	-5.8	-14.2
Pa.....	30,441	1,056,099	34.69	-1.5	-8.5	+5.6	+2.5
R. I.....	2,617	115,243	44.04	-2.5	-1.5	+22.1	+30.4
S. C.....	4,067	51,150	12.58	-1.1	-3	-2	+5.7
S. Dak.....	613	15,658	25.54	-13.2	-14.9	-27.7	-23.5
Tenn.....	1,900	14,200					
Tex.....	3,500	63,000					
Utah.....	1,614	82,102	50.87	+4	+4.0	-4.3	-8.5
Vt.....	600	115,300					
Va.....	3,627	72,638	20.03	+2.4	+4.1	+17.5	+30.8
Wash.....	7,703	402,883	52.30	+9.3	+7.2	-20.7	-20.0
W. Va.....	3,778	54,872	14.52	-4.4	-5.0	-18.1	-12.8
Wis.....	4,502	180,847	40.17	+1.7	+2.7	+2.3	+1.8
Wyo.....	421	18,276	43.41	+6.3	+7.4	+4.5	+2.3

<sup>1</sup> For definitions of terms see pp. 24-26. All data subject to revision.

<sup>2</sup> Partly estimated; does not represent sum of State figures because total excludes payments for, and an estimated number of cases receiving, medical care, hospitalization, and burial only in Indiana and New Jersey.

<sup>3</sup> State program only; excludes program administered by local officials.

<sup>4</sup> Includes an estimate of approximately 5 percent.

<sup>5</sup> Estimated.

<sup>6</sup> Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents about 60 percent of total.

<sup>7</sup> Includes unknown number of cases receiving medical care, hospitalization, and burial only, and total payments for these services.

<sup>8</sup> Excludes a few cases and small amount of local funds not administered by State agency.

<sup>9</sup> Includes cases receiving medical care only.

<sup>10</sup> Excludes estimated duplication between programs; 2,143 cases were aided by county commissioners and 4,001 cases under program administered by State Board of Public Welfare. Average per case and percentage change in number of cases not computed.

Table 5.—Aid to the blind: Recipients and payments to recipients, by State, November 1947<sup>1</sup>

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	October 1947 in—		November 1946 in—	
				Number	Amount	Number	Amount
Total.....	80,822	\$3,187,578	\$39.44	+0.4	+0.6	+6.1	+15.4
Total, 47 States <sup>2</sup> .....	63,486	2,522,656	39.74	+5	+7	+6.8	+18.6
Ala.....	1,062	21,854	20.58	+1	+1.4	+16.7	+19.9
Ariz.....	644	36,523	56.71	+5	+4	+12.6	+9.1
Ark.....	1,539	32,724	21.26	+7	+1.1	+20.1	+10.8
Calif.....	6,764	491,501	72.66	+1.4	+1.5	+9.3	+36.9
Colo.....	385	19,011	49.00	+3	+8	-10.0	+20.1
Conn.....	141	5,925	42.02	-7	-7	+7	+8.8
Del.....	123	3,640	29.59	+8	+4	(7)	(7)
D. C.....	216	9,147	42.35	+1.4	+2.1	+5.4	+4.0
Fla.....	2,748	106,554	38.78	0	+8	+9.5	+15.0
Ga.....	2,214	45,044	20.35	+1	-2	+2.7	+16.9
Hawaii.....	80	2,965	37.06	(7)	(7)	(7)	(7)
Idaho.....	206	9,574	46.48	+1.0	-1	+3.5	+4.8
Ill.....	4,745	196,554	41.42	-4	-8	-3.6	+7.5
Ind.....	1,913	63,916	33.41	+3	+1.0	-2	+10.9
Iowa.....	1,214	54,442	44.85	-6	+3	-2.0	+7.3
Kans.....	928	38,255	41.22	-2.7	-2.8	-15.2	-8.6
Ky.....	1,832	33,687	18.39	+1.6	+1.6	+15.1	+16.7
La.....	1,571	42,001	26.74	+1.2	+1.8	+11.3	+2.0
Maine.....	704	22,650	32.17	-7	-2.3	-8.8	-12.5
Md.....	1,166	16,146	34.65	+4	+7	+4	-2.0
Mass.....	1,239	64,985	52.45	+6	+1.2	+9.6	+17.1
Mich.....	1,456	59,670	40.98	+6	+5	+7.3	+9.9
Minn.....	1,011	49,020	48.49	+6	+1.6	+7.2	+25.1
Miss.....	2,086	50,221	24.06	(7)	+1	+15.3	+18.2
Mo.....	84,000	30.00					
Mont.....	417	17,070	40.94	+1.2	+1.2	+13.9	+18.4
Nebr.....	21	21,037	43.20	+3.4	+8.1	+8.0	+24.4
Nev.....	28	1,808	(7)	(7)	(7)	(7)	(7)
N. H.....	296	12,197	41.21	+7	-4	+1.0	+16.5
N. J.....	617	26,982	43.73	+2.3	+3.1	+8.2	+15.0
N. Mex.....	399	15,601	39.10	+1.8	+1.3	+48.3	+46.4
N. Y.....	3,379	184,534	54.61	-1	+1	+7.1	+20.3
N. C.....	2,980	78,977	26.50	+7	+8	+11.5	+36.9
N. Dak.....	121	4,732	39.11	-2.4	-8.4	+1.7	+11.7
Ohio.....	3,300	129,475	37.42	+2	+1.1	+4.9	+18.0
Okl.....	2,567	110,009	42.86	+7	+5	+18.1	+17.9
Oreg.....	376	18,790	49.97	0	+7	-1.1	-4.6
Pa.....	14,608	680,014	39.68	+3	+4	+6.8	+6.6
R. I.....	141	6,232	44.20	0	+1.6	+13.7	+34.4
S. C.....	1,261	28,137	22.31	+1.9	+2.3	+14.9	+10.1
S. Dak.....	211	6,170	29.24	-1.9	-1.5	-9	+5
Tenn.....	1,806	55,069	30.49	+1.6	+1.2	+11.2	+47.3
Tex.....	5,454	182,997	33.55	+5	+7	+7.2	+24.0
Utah.....	135	6,518	48.28	0	+1.7	-8.2	-11.1
Vt.....	176	6,614	37.58	-6	-6	+1.7	+14.7
Va.....	1,172	27,115	23.14	+3	+8	+11.0	+24.1
Wash.....	637	39,776	62.44	-9	-2	-1.2	-1
W. Va.....	881	30,528	23.30	-1	-2	+2.7	+10.0
Wis.....	1,276	48,830	38.27	-1	+9	-2.8	+7.0
Wyo.....	107	5,257	49.13	+7.0	+2.8	-2.7	-4.3

<sup>1</sup> For definitions of terms see pp. 24-26. Figures in italics represent program administered without Federal participation. Data exclude program administered without Federal participation in Connecticut, which administers such program concurrently with program under the Social Security Act. Alaska does not administer aid to the blind. All data subject to revision.

<sup>2</sup> Under plans approved by the Social Security Administration.

<sup>3</sup> Average payment not calculated on base of less than 50 recipients; percentage change, on less than 100 recipients.

<sup>4</sup> Decrease of less than 0.05 percent.

<sup>5</sup> Estimated.

<sup>6</sup> Represents statutory monthly pension of \$30 per recipient; excludes payment for other than a month.

are not considered public assistance. Types of assistance include the three special types of assistance and general assistance.

### Special Types of Public Assistance

Old-age assistance, aid to the blind, and aid to dependent children are designated as special types of public assistance because they aid special groups of needy persons. These cate-

gories of persons are broadly defined by the assistance titles of the Social Security Act and are specifically defined for each State by State law and administrative regulation.

Data presented in the monthly series are for programs administered under plans approved by the Social Security Administration for Federal financial participation and for similar programs in States in which the only

public program for the particular category is administered without Federal funds. As of January 1, 1948, 51 States had State-Federal programs for old-age assistance; 50 States, for aid to dependent children; and 47 States, for aid to the blind. Data exclude a few small programs similar in type, financed from State or local funds only, but administered concurrently with State-Federal programs.

Table 6.—Aid to dependent children: Recipients and payments to recipients, by State, November 1947<sup>1</sup>

State	Number of recipients		Payments to recipients		Percentage change from—					
	Families	Children	Total amount	Average per family	October 1947 in—			November 1946 in—		
					Number of—		Amount	Number of—		Amount
					Families	Children		Families	Children	
Total.....	410,912	1,046,146	\$25,736,955	\$62.63	-0.4	-0.2	-0.9	+21.9	+21.3	+26.1
Total, 50 States <sup>2</sup> .....	410,862	1,046,028	25,735,304	62.64	-4	-3	-9	+21.9	+21.3	+26.1
Alabama.....	9,340	25,671	292,682	31.31	+2.0	+1.6	+2.3	+28.8	+26.9	+26.3
Alaska.....	220	552	7,421	32.84	+4.6	+4.6	+3.0	+37.8	+48.0	+1.1
Arizona.....	2,309	6,619	111,339	48.22	+5.9	+5.4	+16.2	+16.7	+14.6	+3.2
Arkansas.....	7,961	20,710	283,191	35.57	+1.9	+1.3	+1.7	+57.1	+51.7	+45.5
California.....	12,624	30,146	1,338,646	106.04	+1.9	+2.8	+3.2	+45.7	+40.0	+65.9
Colorado.....	4,239	11,561	319,463	75.36	+7	+5	+3.7	+10.2	+10.0	+24.7
Connecticut.....	2,671	6,613	250,046	93.62	-8	+2.2	+1.1	-4.8	-5.9	-4.3
Delaware.....	311	905	22,625	72.75	-6	+1	-1	+22.9	+26.4	-2
District of Columbia.....	1,151	3,495	85,919	74.65	-6	-5	-6	+13.3	+11.3	+16.7
Florida.....	13,581	33,609	604,286	44.49	+2.8	+2.5	+2.9	+84.2	+84.1	+131.8
Georgia.....	6,664	16,980	229,676	34.47	+3	+2	-1	+21.5	+20.3	+29.1
Hawaii.....	1,172	3,521	102,945	87.84	+3.5	+3.4	+2.9	+61.4	+56.1	+80.4
Idaho.....	1,743	4,500	138,387	79.40	+5	+6	+1.2	+12.2	+10.5	+13.9
Illinois.....	21,185	53,316	1,717,202	81.06	-1.3	-9	-3	-4.1	-1.9	+2.0
Indiana.....	7,939	19,532	381,580	48.06	+1.2	+1.2	+2.4	+13.4	+14.1	+40.6
Iowa.....	4,340	11,076	286,717	66.06	+2.4	+2.0	+4.4	+15.6	+16.1	+126.6
Kansas.....	4,880	12,223	343,219	71.36	( <sup>3</sup> )	-4	-4	-23.7	-21.7	+28.1
Kentucky.....	11,612	29,380	398,531	34.30	+4.2	+3.6	+3.6	+75.1	+71.7	+42.4
Louisiana.....	12,877	33,317	506,017	39.30	+9	+8	+1.5	+29.3	+29.3	+11.2
Maine.....	1,908	5,530	146,943	77.01	+2.6	+3.5	+4.2	+12.2	+13.9	+4.3
Maryland.....	5,313	15,463	385,713	72.60	+1.9	+2.3	+3.3	+26.7	+28.9	+89.3
Massachusetts.....	9,504	23,498	993,437	104.53	+7	+7	+3.2	+13.8	+13.4	+27.4
Michigan.....	20,503	48,582	1,592,367	77.67	+3	+1	+3	+16.3	+15.2	+15.9
Minnesota.....	6,251	15,866	427,035	68.31	+2.1	+2.0	+2.4	+17.9	+17.6	+46.5
Mississippi.....	5,496	14,602	145,220	28.42	+2.1	+1.8	+1.8	+31.5	+32.2	+32.4
Missouri.....	20,492	53,205	631,840	30.83	( <sup>3</sup> )	-3	-1	+23.3	+22.0	+1.9
Montana.....	1,720	4,533	119,526	69.49	+5	+1.1	+2.0	+16.8	+15.0	+32.0
Nebraska.....	3,120	7,378	227,159	72.81	+2	( <sup>4</sup> )	+4.7	+11.2	+10.6	+5.7
Nevada.....	60	118	1,651	33.08	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )
New Hampshire.....	1,126	2,847	91,212	81.01	+4	+1	+1.4	+15.7	+13.7	+20.8
New Jersey.....	4,330	11,135	350,854	80.86	+7	+2	+1.4	+15.9	+17.4	+37.6
New Mexico.....	3,979	10,519	190,191	47.80	+3.0	+2.8	+3.1	+30.8	+31.9	+31.4
New York.....	42,181	97,507	4,204,437	99.68	-8	-6	-1.9	+31.7	+26.7	+45.5
North Carolina.....	8,025	22,841	278,302	34.68	+8	+5	+7	+19.3	+22.3	+32.1
North Dakota.....	1,567	4,211	118,629	75.70	-1	-3	+7	+3.2	+5	+13.7
Ohio.....	9,484	25,788	622,168	65.60	+7	+4	+1.0	+9.8	+9.1	+12.4
Oklahoma.....	24,251	59,807	854,860	35.25	-16.3	-14.2	-34.1	+6.4	+8.1	+17.1
Oregon.....	2,332	5,901	227,438	97.53	+1.1	+1.1	+9.6	+51.7	+51.8	+53.8
Pennsylvania.....	38,678	99,450	2,772,989	71.69	-7	-5	-5	+11.3	+10.7	+8.4
Rhode Island.....	2,627	6,581	205,194	78.11	-2	-2	( <sup>5</sup> )	+35.0	+34.6	+49.0
South Carolina.....	6,121	16,954	156,160	25.51	+2.9	+3.2	+3.1	+31.5	+35.0	+24.4
South Dakota.....	1,735	4,281	78,895	45.47	-6	-7	-9	-5.0	-5.0	-6.2
Tennessee.....	14,514	38,886	648,682	44.69	+2.1	+1.8	+1.3	+18.7	+19.9	+61.4
Texas.....	15,484	38,977	611,369	39.48	+1.7	+1.9	-8	+1.7	+43.3	+100.1
Utah.....	2,540	6,785	233,743	92.02	+2.5	+2.5	+2.5	+14.5	+14.0	+7.0
Vermont.....	722	1,954	33,334	46.17	+2.0	+2.4	+2.1	+15.7	+16.3	+22.8
Virginia.....	4,760	13,753	193,834	40.72	+2.3	+1.9	+4.7	+23.8	+24.2	+40.3
Washington.....	7,412	18,051	714,250	96.36	+1.8	+1.9	+2.1	+25.1	+24.7	+15.3
West Virginia.....	10,317	28,288	420,751	40.78	+2.0	+2.1	+1.9	+22.0	+20.2	+29.3
Wisconsin.....	7,146	17,855	601,289	84.14	+6	+4	+1.1	+8.7	+9.6	+17.7
Wyoming.....	381	1,084	32,791	86.07	-5	-3	-6	+6.7	+8.5	+8.3

<sup>1</sup> For definitions of terms see pp. 24-26. Figures in italics represent program administered without Federal participation. Data exclude programs administered without Federal participation in Florida, Kentucky, and Nebraska, which administer such programs concurrently with programs under the Social Security Act. All data subject to revision.

<sup>2</sup> Under plans approved by the Social Security Administration.

<sup>3</sup> Decrease of less than 0.05 percent.

<sup>4</sup> Increase of less than 0.05 percent.

<sup>5</sup> Percentage change not calculated on base of less than 100 families.



### General Assistance

General assistance is administered and financed by State and/or local governments and is designed to aid individuals and families when their needs are not otherwise met. General assistance is variously called general relief, home relief, direct relief, indigent aid, and so on. It excludes programs that limit coverage to special groups, such as statutory veterans' relief or foster-family care to children, but it may include programs limiting coverage on the basis of employability. Since the unifying influence of Federal participation is lacking in general assistance, variations in State and local practices affect the comparability of such data even more than they affect data for the special types of assistance.

### Recipients

Data on recipients of old-age assistance and aid to the blind represent the number of persons to whom payments are made for a specified month. Data on recipients of aid to dependent children are shown in terms of (a) children on whose behalf payments of this type of aid are made and (b) the number of families in which these children are living.

Under general assistance, recipients represent the number of cases receiving assistance. The unit of count is on a monthly basis and follows the administrative practice of the agency. Two families in a single household may be regarded as a single case by one agency and as two cases by another agency. The number of general assistance cases is increased in some States by the practice of supplementing inadequate payments of the other types of assistance; in other States none or very few of the recipients of the special types of public assistance also receive general assistance. Cases that receive only medical care, hospitalization, or burial are generally excluded.

The numbers of recipients in the several States are imperfect gauges of differences in the numbers of needy individuals because of variations in eligibility conditions and the unequal ability of States to aid needy persons.

Because some recipients receive more than one type of assistance, the

total number of recipients of public assistance in a State may be smaller than the sum of the recipients of the various types.

### Payments

Data represent payments for a specified month made to or on behalf of recipients and charged by the State or local agency to the specified type of assistance. Payments for the special types of assistance are money payments to recipients.

Data on general assistance include payments to cases in cash or kind, and orders on vendors for goods or services supplied to general assistance cases. The practice in some States of using general assistance to supple-

ment other types of assistance increases the case load and lowers the average payment of general assistance in these States. A relatively high rate of case turn-over and payment periods shorter than a month also increase the number of small payments of general assistance and likewise reduce the average payment.

State differences in payments may result from divergent standards of assistance; from different practices in meeting need in full; or from differences in the extent to which medical needs are met through the money payment. Expenditures for medical care, hospitalization, and burial paid directly to the suppliers of these services are generally excluded.

## Social and Economic Data

### Social Security and Other Income Payments

#### Personal Income

Personal income, after dropping sharply in October, remained prac-

tically unchanged in November at an annual rate of \$204.9 billion; the total was 9 percent above that a year earlier, however (table 1). The peak in September reflected the rise in employees' income as veterans cashed their terminal-leave bonds. When

Table 1.—Personal income by specified period, 1940-47

(In billions; seasonally adjusted, at annual rates)

Year and month	Total	Employees' income <sup>1</sup>	Proprietors' and rental income	Personal interest income and dividends	Public aid <sup>2</sup>	Social insurance and related payments <sup>3</sup>	Miscellaneous income payments <sup>4</sup>
1944.....	164.9	116.0	34.4	10.7	1.0	1.8	1.0
1945.....	171.6	117.6	37.1	11.6	1.0	2.9	1.4
1946.....	177.2	112.6	41.8	13.3	1.2	7.2	1.2
1946							
November.....	188.4	117.3	47.6	13.5	1.3	7.3	1.4
December.....	189.9	118.8	47.2	13.7	1.4	7.5	1.3
1947							
January.....	190.3	118.0	46.6	13.9	1.4	8.1	1.4
February.....	190.7	119.3	46.8	14.0	1.4	7.9	1.3
March.....	191.8	119.3	47.7	14.0	1.5	7.9	1.4
April.....	190.2	118.5	46.9	14.0	1.5	7.9	1.4
May.....	191.5	120.0	46.9	14.0	1.5	7.6	1.5
June.....	195.1	122.6	47.6	14.1	1.5	7.4	1.9
July.....	196.1	122.7	47.8	14.2	1.5	7.5	2.4
August.....	194.9	124.0	45.9	14.3	1.5	7.2	2.0
September.....	210.9	137.0	48.4	15.0	1.5	7.0	2.0
October.....	204.4	128.5	50.6	14.9	1.6	6.8	2.0
November.....	204.9	130.1	49.9	15.1	1.6	6.5	1.7

<sup>1</sup> Civilian and military pay in cash and in kind in the continental United States, pay of Federal civilian and military personnel stationed abroad, other labor income (except compensation for injuries), mustering-out pay, and terminal-leave pay. Military pay includes the Government's contribution to allowances for dependents of enlisted personnel. Civilian wages and salaries represent net earnings after employee contributions under social insurance and related programs have been deducted; data exclude work relief earnings.

<sup>2</sup> Payments to recipients under 3 special public assistance programs and general assistance. Includes payments for care of children in private foster homes; for 1940-43, includes work relief earnings of persons who were employed by WPA, NYA, and CCC, and value of food and cotton stamps; for 1940-42, includes subsistence grants to farmers.

<sup>3</sup> Includes payments of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, veterans' pensions and compensation, workmen's compensation, State and railroad unemployment insurance and sickness compensation, and readjustment and subsistence allowances to veterans under the Servicemen's Readjustment Act.

<sup>4</sup> Includes veterans' bonus (Federal and State), payments under the Government life insurance, national service life insurance, and military and naval insurance programs, the Government's contribution to nonprofit organizations, and business transfer payments.

Source: Department of Commerce, Office of Business Economics.

Table 2.—Selected social insurance and related programs, by specified period, 1940-47

[In thousands; data corrected to Jan. 28, 1948]

Year and month	Total	Retirement, disability, and survivor programs												Unemployment insurance programs			
		Monthly retirement and disability benefits <sup>1</sup>				Survivor benefits						Sickness benefits <sup>11</sup>		State unemployment insurance laws <sup>12</sup>	Service-men's Readjustment Act <sup>14</sup>	Railroad Unemployment Insurance Act <sup>15</sup>	Readjustment allowances to self-employed veterans <sup>16</sup>
		Social Security Act <sup>2</sup>	Railroad Retirement Act <sup>3</sup>	Civil Service Commission <sup>4</sup>	Veterans Administration <sup>5</sup>	Monthly			Lump-sum <sup>6</sup>			State laws <sup>11</sup>	Railroad Unemployment Insurance Act <sup>13</sup>				
						Social Security Act <sup>2</sup>	Railroad Retirement Act <sup>7</sup>	Veterans Administration <sup>8</sup>	Social Security Act	Railroad Retirement Act	Civil Service Commission <sup>4</sup>						
Number of beneficiaries																	
1946																	
November		926.5	184.6	104.9	2,287.8	700.2	4.5	842.2	13.3	1.2	1.6	5.3	4.4	709.6	932.7	54.9	156.9
December		935.6	185.0	106.5	2,314.4	706.7	4.5	849.4	15.1	.8	1.6	6.0	6.4	747.3	987.9	70.3	155.4
1947																	
January		956.6	185.2	108.2	2,332.2	715.7	4.5	871.3	15.8	.9	2.0	7.0	17.3	802.6	1,148.6	88.2	167.0
February		983.0	186.8	107.6	2,346.2	725.8	11.6	873.1	14.0	1.4	1.2	6.3	21.8	911.3	1,148.9	83.1	172.0
March		1,038.8	186.3	109.0	2,352.9	735.0	22.1	876.9	16.7	.6	1.8	7.3	23.5	975.4	1,073.0	75.6	231.0
April		1,023.7	188.6	110.5	2,356.1	747.9	28.2	878.8	19.9	1.1	1.6	8.0	26.5	928.8	908.3	69.1	223.6
May		1,045.3	191.9	111.6	2,355.6	759.9	32.1	886.8	19.2	.8	1.1	7.9	26.9	940.3	752.2	48.3	248.6
June		1,063.6	194.1	112.6	2,354.3	768.7	37.1	896.8	16.0	1.4	1.8	8.1	25.8	1,006.7	712.9	39.5	257.1
July		1,081.5	197.8	114.3	2,351.6	773.8	42.3	907.3	15.6	1.4	1.7	7.8	25.3	1,053.6	751.3	31.1	212.1
August		1,098.1	201.0	115.9	2,345.7	778.9	47.5	914.7	14.4	.9	1.3	7.4	23.0	914.6	734.6	34.0	186.1
September		1,115.0	203.4	117.6	2,340.6	788.3	51.9	919.4	15.4	1.4	1.4	7.3	22.2	778.8	615.1	37.6	142.3
October		1,132.5	207.2	119.3	2,337.4	798.2	60.3	925.8	17.5	1.9	1.4	7.6	22.9	655.9	427.8	44.3	106.4
November		1,147.1	209.9	120.6	2,335.5	805.3	69.8	929.9	13.8	1.9	1.0	6.3	20.0	593.4	397.1	33.7	68.0
Amount of benefits <sup>10</sup>																	
1940		\$1,188,702	\$21,074	\$114,166	\$62,019	\$317,851	\$7,784	\$1,448	\$105,696	\$11,736	\$2,497	\$5,810	\$3,960		\$518,700		\$15,961
1941		1,085,488	55,141	119,912	64,933	320,561	25,454	1,559	111,799	13,328	3,421	6,170	4,352		344,321		14,537
1942		1,130,721	80,305	122,806	68,115	325,265	41,702	1,903	111,193	15,038	4,114	6,108	4,120		344,084		6,298
1943		921,463	97,257	125,795	72,961	331,350	57,763	1,704	116,133	17,830	5,560	7,344	4,350	\$2,857	79,643		
1944		1,119,664	119,009	129,707	78,081	456,279	76,942	1,765	144,302	22,146	6,501	7,863	4,784	5,035	62,385	\$4,113	582
1945		2,067,434	157,391	137,140	85,742	607,830	104,231	1,772	254,238	26,135	8,138	10,244	5,049	4,669	445,866	114,955	2,359
1946		5,152,223	230,285	149,188	96,418	1,268,984	130,139	1,817	333,640	27,267	9,127	13,992	7,491	4,766	1,095,475	1,491,294	39,917
1946																	
November		368,858	20,048	12,407	8,421	133,700	10,729	145	30,737	1,986	661	1,180	800	316	54,097	74,421	3,618
December		385,208	20,248	12,442	8,568	136,762	10,833	145	29,760	2,266	439	1,071	850	408	59,370	81,964	4,065
1947																	
January		434,613	20,712	12,968	8,592	139,853	10,963	147	32,226	2,387	519	1,416	1,040	1,297	74,760	106,586	5,685
February		408,094	21,311	13,035	8,794	140,143	11,156	355	31,840	2,119	798	896	1,040	1,571	65,910	88,401	4,851
March		424,233	21,785	13,079	8,874	142,166	11,314	663	32,031	2,533	334	1,269	1,090	1,872	71,545	89,100	4,954
April		415,448	22,238	13,241	8,984	140,691	11,532	840	31,805	3,026	487	1,279	1,200	2,176	71,569	78,868	4,299
May		399,569	22,743	13,482	8,956	140,115	11,736	951	31,505	2,940	307	1,334	1,180	2,167	72,295	63,763	3,107
June		400,290	23,599	13,891	9,055	136,585	12,000	1,198	31,209	2,402	490	1,358	1,160	2,078	73,559	58,542	2,490
July		400,290	23,599	13,891	9,055	136,585	12,000	1,198	31,209	2,402	490	1,358	1,160	2,078	73,559	58,542	2,490
August		384,666	23,995	14,100	9,164	137,346	12,100	1,308	32,578	2,215	309	1,026	1,100	1,878	66,804	59,621	2,107
September		369,664	24,395	14,251	9,154	138,255	12,261	1,397	32,566	2,394	436	1,190	1,100	1,799	59,257	53,336	2,352
October		353,023	24,815	14,468	9,358	142,194	12,431	1,589	34,067	2,731	592	1,243	1,140	1,854	52,774	38,153	2,832
November		324,133	25,157	14,653	9,469	140,780	12,555	1,831	31,497	2,132	575	939	950	1,625	41,671	29,554	2,121

<sup>1</sup> Preliminary estimate.<sup>2</sup> Old-age retirement benefits under all acts, disability retirement benefits under the Railroad Retirement and the Civil Service Retirement Acts, and disability payments to veterans.<sup>3</sup> Primary and wife's benefits and benefits to children of primary beneficiaries. Partly estimated.<sup>4</sup> Age and disability annuities and pensioners in current-payment status at end of month, and amounts certified, minus cancellations, during year.<sup>5</sup> Retirement and disability benefits include survivor benefits under joint and survivor elections. Payments principally from civil-service retirement and disability fund but also from Canal Zone and Alaska Railroad retirement and disability funds administered by the Civil Service Commission. Monthly retirement payments include accrued annuities to date of death paid to survivors.<sup>6</sup> Refunds to employees leaving the service are not included but are summarized twice a year in the Bulletin.<sup>7</sup> Veterans' pensions and compensation.<sup>8</sup> Widow's, widow's current, parent's, and child's benefits. Partly estimated.<sup>9</sup> Annuities to widows under joint and survivor elections, 12-month death-benefit annuities to widows and next of kin, and, beginning February 1947, widow's, widow's current, parent's, and child's benefits in current-payment status.<sup>10</sup> Payments to widows, parents, and children of deceased veterans.<sup>11</sup> Number of decedents on whose account lump-sum payments were made, and amount certified for payment.<sup>12</sup> Payments for burial of deceased veterans.<sup>13</sup> Compensation for temporary disability payable in Rhode Island beginning April 1943, in California beginning December 1946, and under the Railroad Unemployment Insurance Act beginning July 1947; includes maternity benefits in Rhode Island and under the Railroad Unemployment Insurance Act.<sup>14</sup> Number represents average weekly number of beneficiaries. Annual amounts adjusted for voided benefit checks; monthly amounts not adjusted. Beginning July 1947, State unemployment insurance data include reconversion unemployment benefits for seamen.<sup>15</sup> Number represents average number of persons receiving benefits in a 14-day registration period. Annual amounts adjusted for underpayments and recoveries of overpayments; monthly figures not adjusted.<sup>16</sup> Readjustment allowances to unemployed veterans only. Number represents average weekly number of continued claims during weeks ended in the month.<sup>17</sup> Number before January 1947 represents number of veterans paid during month; number beginning January 1947 represents number of claims paid during month under the Service-men's Readjustment Act.<sup>18</sup> Payments to individuals: annual and lump-sum payments (amounts certified, including retroactive payments) and monthly payments in current-payment status, under the Social Security and the Railroad Retirement Acts; amounts certified under the Railroad Unemployment Insurance Act; disbursements minus cancellations, under the Civil Service Commission and the Veterans Administration programs; checks issued by State agencies, under State unemployment insurance and State sickness compensation programs and under the Service-men's Readjustment Act.

Source: Based on reports of administrative agencies.

the initial wave of cashing bonds had subsided, employees' income continued upward at a somewhat slower rate; this segment of personal income represented about 63 percent of the November total.

Social insurance and related payments edged downward for the fourth month in succession, largely as a result of declining payments for unemployment insurance. The total—\$6.5 billion at an annual rate—was about a tenth less than in November 1946 and was roughly 3 percent of all personal income.

The slow upward movement in direct relief payments continued in November. These payments are now running at a rate of \$1.6 billion a year—less than 1 percent of total income to persons.

The remaining segments of personal income have remained fairly stable over the 13-month period. Proprietors' and rental income made up about a fourth of all personal income in November, personal interest income and dividends about 7 percent, and miscellaneous income payments less than 1 percent.

#### Social Insurance and Related Payments

Payments under the selected programs in November—\$324.1 million—were 8 percent below the October total and 12 percent below the amount a year earlier (table 2). Disbursements under these programs represented the same proportion (60 percent) of all social insurance and related payments, as estimated by the

Department of Commerce, as they did in November 1946.

Retirement and supplementary benefits under the Social Security Act of \$25.2 million were paid in November to 1,147,100 beneficiaries, about one-fourth more in number and amount than in November 1946. An additional \$12.6 million in monthly benefits was paid to 805,300 survivors of deceased workers. Since November 1946 the number of survivors of covered workers has increased 15 percent and monthly survivor benefits, 17 percent.

More than 3¼ million disabled veterans and survivors of veterans received pensions and compensation totaling \$172.3 million. The number of veterans receiving retirement and disability benefits has dropped slightly each month since April, while payments have fluctuated from \$135 million to \$142 million a month. Survivor beneficiaries continue to increase, on the other hand, while payments remain fairly steady at about \$32 million a month. Of the 929,900 dependents of deceased veterans in November, 382,900 were widows; 287,400, dependent children; and 259,600, surviving parents. The increase in the number of widows receiving pensions and compensation in the last 6 months was less than 2 percent, while the number of dependent children on these rolls increased 8.4 percent and dependent parents, 5.5 percent.

Nearly 210,000 former railroad workers received \$14.7 million in retirement or permanent disability benefits, and some 69,800 survivors

received regular monthly payments totaling \$1.8 million. Temporary disability benefits, amounting to \$2.3 million, went to 26,100 railroad employees; this number was 16 percent less than in October, while disbursements fell 17 percent.

State unemployment insurance benefits dropped 21 percent below the October level and 23 percent below the amount a year earlier. Veterans' unemployment allowances, which have been lower than disbursements under the State programs since April and have declined each month since July, were 60 percent less than in November 1946. Veterans' self-employment allowances were also 60 percent below the amount a year earlier; the 37-percent decline from the October total brought them to the lowest point since January 1946. Railroad unemployment benefits also fell sharply from the October 1947 and November 1946 levels.

#### Trust Fund Operations During 1947

The unemployment trust fund is composed of 51 separate State accounts and the railroad unemployment insurance account, but investments are made for the fund as a unit by the Secretary of the Treasury and interest earned on the fund's investments is distributed quarterly among all accounts on the basis of the average daily balance of each account. Receipts of the unemploy-

Table 3.—Changes in social security trust fund investments and the interest-bearing public debt, as of end of November, 1945–47

[Amounts in millions]

Item	Investments at end of November—								Net acquisitions		
	1944		1945		1946		1947		Nov. 30, 1944 through Nov. 30, 1945	Nov. 30, 1945 through Nov. 30, 1946	Nov. 30, 1946 through Nov. 30, 1947
	Amount	Average interest rate (percent)	Amount	Average interest rate (percent)	Amount	Average interest rate (percent)	Amount	Average interest rate (percent)			
Total interest-bearing public debt.....	\$210, 774	1. 932	\$262, 840	1. 950	\$260, 925	2. 046	\$255, 591	2. 137	+\$52, 075	—\$1, 925	—\$5, 334
Securities acquired by social security trust funds, total.....	12, 223	—	14, 352	—	15, 303	—	17, 233	—	+2, 130	+1, 040	+1, 840
Old-age and survivors insurance trust fund.....	5, 677	2. 179	6, 804	2. 117	7, 829	2. 047	9, 134	2. 082	+1, 127	+1, 024	+1, 306
Unemployment trust fund.....	6, 546	1. 900	7, 548	1. 921	7, 564	1. 938	8, 098	2. 060	+1, 002	+16	+534
All other interest-bearing securities.....	198, 551	—	248, 497	—	245, 532	—	238, 358	—	+49, 945	—2, 965	—7, 174

Source: *Daily Statement of the U. S. Treasury*.



Table 4.—Size and average yield on investments of social insurance and related trust funds, as of June 30, 1947

Fund	Investments <sup>1</sup> (in thousands)	Average yield <sup>2</sup> (percent)
Old-age and survivors insurance trust fund.....	\$3,742,334	2.082
Unemployment trust fund.....	7,852,000	2.045
National service life insurance fund.....	6,473,685	3.000
Civil-service retirement and disability fund.....	2,435,238	3.998
U. S. Government life insurance fund.....	1,254,000	3.500
Railroad retirement account.....	805,500	3.000
Canal Zone retirement and disability fund.....	12,257	3.998
District of Columbia teachers' retirement fund.....	11,882	2.808
Foreign Service retirement and disability fund.....	9,638	3.991
Alaska Railroad retirement and disability fund.....	2,680	4.000
Longshoremen's and harbor workers' compensation fund.....	416	( <sup>3</sup> )
District of Columbia workmen's compensation fund.....	71	( <sup>3</sup> )

<sup>1</sup> Par value.<sup>2</sup> Based on par value of securities.<sup>3</sup> Not available.

ment trust fund follow a quarterly pattern: from 70 to 75 percent are deposited during the second month of the quarter and approximately half of the balance in each of the other 2 months. Investments are made whenever funds are available. Often within a month there are both acquisitions and redemptions of securities. In all months but one in the year ended November 30, 1947, investment transactions occurred; in 6 of the months there were net acquisitions of securities, and in 5, redemptions. For the year as a whole, the fund showed a net acquisition of \$534 million of United States securities (table 3).

All sums collected under the Federal Insurance Contributions Act are appropriated to the old-age and survivors insurance trust fund as they are received by the Treasury. There is a definite monthly collection pattern within each quarter: receipts in the second month account for approximately 80 percent, those in the first month, for 15, and those in the third month, for 5. The Secretary of the Treasury, who is the Managing Trustee of the old-age and survivors insurance trust fund, invests that part of contributions appropriated to the fund which, in his judgment, is not required to meet current expenditures for benefit payments and administra-

tion. Two cash accounts are maintained in the fund: the chief disbursing officer's account, from which benefit payments are made, and the appropriation account, from which investments are made. The size of the appropriation account fluctuates considerably from month to month, as contributions are received and investments made (table 9). During the second month of the quarter, the bulk of the normally large excess of receipts over expenditures swells the appropriation account; investments for the fund are usually made during the third month. Interest on regular obligations held by the fund is credited when it becomes payable on a particular series, and interest on special obligations is payable on June 30 and December 31.

During the year ended November 30, 1947, the old-age and survivors insurance trust fund, in addition to making investments in the last month of each quarter, redeemed \$42 million of holdings in July and bought \$134 million of securities in November. For the year as a whole the fund's net acquisition of securities amounted to \$1,306 million.

In addition to the old-age and survivors insurance trust fund and the unemployment trust fund, the Treasury manages 10 other social insurance and related trust funds (table 4). Interest rates on investments of most of these funds are higher than those for the two large social security funds, and all the rates are determined administratively rather than by statute.

#### Investments

During the year ended November 30, 1947, the two social security trust funds acquired a net total of \$1,840 million of Government securities (table 3). This was 77 percent greater than the investments made during the preceding year but 14 percent less than those made in the year ended November 1945, when \$2,130 million was invested.

Net investments by the unemployment trust fund during the three 12-month periods ended on November 30 in 1945, 1946, and 1947 were \$1,002 million, \$16 million, and \$534 million, respectively. The sums available for investment in a given period consist of that portion of the fund's receipts

that is not needed to meet current expenditures. The large decrease in the year December 1945 through November 1946 reflects the effects of the reconversion period, with its lay-offs and shifts in employment. The States withdrew \$1,160 million for the payment of unemployment insurance benefits whereas they deposited only \$908 million. The net acquisition of \$16 million in investments could be made only from the excess of receipts over benefit payments in the railroad unemployment insurance account plus interest earned on investments and a part of the unexpended balance of the fund.

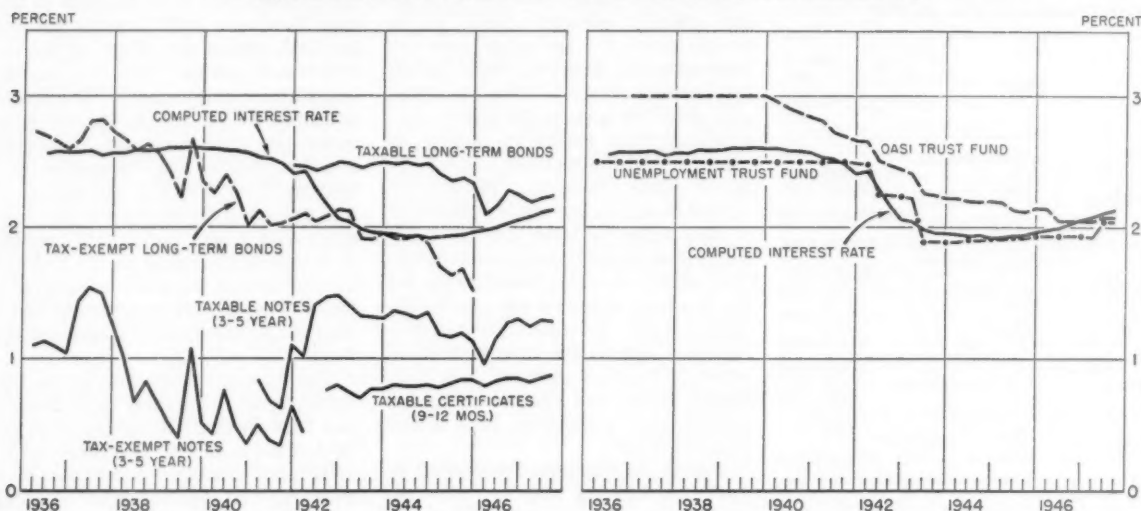
The financial operations of the unemployment trust fund from December 1946 through November 1947 reflected the relatively favorable industrial and economic conditions of a year of full employment at high wages. Deposits by the States amounted to \$1,098 million and withdrawals for unemployment benefits to \$797 million. The \$301 million excess of receipts over expenditures in the State accounts plus that in the railroad unemployment insurance account, in addition to the interest on

Table 5.—Average interest rate on social security trust fund investments and interest-bearing public debt at end of specified period, 1936-47

At end of—	Computed average interest rate (percent)		
	Interest-bearing public debt	Old-age and survivors insurance trust fund investments	Unemployment trust fund investments
1936.....	2.570	.....	2.500
1937.....	2.568	3.000	2.500
1938.....	2.586	3.000	2.500
1939.....	2.598	3.000	2.500
1940.....	2.566	2.840	2.500
1941.....	2.409	2.690	2.500
1942.....	2.059	2.443	2.210
1943.....	1.956	2.203	1.888
1944.....	1.919	2.190	1.914
1945.....	1.965	2.144	1.934
1946.....	2.057	2.046	1.988
1947.....	.....	.....	.....
January.....	2.060	2.046	1.938
February.....	2.066	2.046	1.939
March.....	2.078	2.044	1.928
April.....	2.089	2.044	1.940
May.....	2.098	2.044	1.941
June.....	2.107	2.082	2.045
July.....	2.116	2.082	2.046
August.....	2.125	2.082	2.045
September.....	2.128	2.076	2.045
October.....	2.129	2.076	2.045
November.....	2.137	2.082	2.050

<sup>1</sup> Rounded up to 2.125.

Chart 1.—Average yields on specified groups of United States obligations, the computed rate of interest on the public debt, and yields on obligations acquired by three social insurance trust funds, 1936–November 1947



investments credited to the fund during the year, increased the total assets of the fund by \$530 million, contrasted with a decrease of \$15 million during the preceding 12 months.

The old-age and survivors insurance trust fund was much less directly affected by the economic shifts of the reconversion period than the unemployment trust fund. The relationship between receipts and expenditures showed only minor fluctuations from year to year; new investments amounted to \$1,024 million from December 1945 through November 1946 as compared with \$1,127 million for the preceding 12-month period and \$1,306 million for the year ended November 30, 1947.

At the end of November 1947, the old-age and survivors insurance trust fund had United States securities amounting to \$9,134 million, and the unemployment trust fund held \$8,098 million.

### Interest Rates

The original Social Security Act stipulated that investments of the old-age reserve account (superseded in 1940 by the old-age and survivors insurance trust fund) must earn at least 3 percent, but the 1939 amendments deleted all reference to a minimum yield except on "special" obligations issued to the fund, which are re-

quired to bear the average rate on the interest-bearing debt, computed as of the end of the month next preceding the date of issue. If this average is not a multiple of one-eighth of 1 percent, the rate of interest is to be the multiple next lower than the average.

The interest provisions for unemployment trust fund investments have remained unchanged since the establishment of the fund in 1936. The rates on special obligations issued to it are determined in the same manner as for the old-age and survivors insurance trust fund, and investments in other issues must bear rates at least equal to those on special obligations.

At the end of 1940 the average rate on the entire interest-bearing debt of \$44 billion was 2.566 percent and special obligations issued to the two social security trust funds bore 2.5 percent. By the end of 1941 the debt had risen to \$57 billion and the average rate thereon had dropped to 2.409 percent, with a corresponding decrease to 2¼ percent in the interest earned by new special issues. A year later the debt amounted to \$107 billion and the two interest rates were 2.059 and 2 percent, respectively. By the end of April 1943, when the debt amounted to \$129 billion, the average interest rate dropped to 1.997 percent, and new special issues bore 1½ percent interest. For the remainder of 1943 and throughout 1944,

1945, and the first 6 months of 1946, the average interest rate on the public debt remained slightly below 2 percent, and special obligations issued to

Table 6.—Investments of social security trust funds and the interest-bearing public debt at end of specified period, 1936-47

[Amounts in millions]

At end of—	Interest-bearing public debt	Social security trust fund investments			
		Total amount	Percent of public debt	Old-age and survivors insurance trust fund	Unemployment trust fund
1936.....	\$33,699	\$64	0.2	\$64	
1937.....	36,715	1,138	3.1	\$513	625
1938.....	38,899	1,926	5.0	862	1,064
1939.....	41,445	2,944	7.1	1,435	1,509
1940.....	44,458	3,902	8.9	2,017	1,945
1941.....	57,451	5,408	9.5	2,736	2,732
1942.....	107,308	7,342	6.8	3,655	3,687
1943.....	164,506	9,874	6.0	4,779	5,095
1944.....	228,891	12,546	5.5	5,967	6,579
1945.....	275,694	14,563	5.3	7,055	7,508
1946.....	257,649	15,643	6.1	8,079	7,564
1947.....					
January.....	258,378	15,658	6.1	8,079	7,579
February.....	258,113	15,758	6.1	8,079	7,679
March.....	255,800	15,973	6.2	8,319	7,654
April.....	254,427	15,948	6.3	8,319	7,629
May.....	254,975	16,123	6.3	8,319	7,804
June.....	255,113	16,594	6.5	8,742	7,852
July.....	256,321	16,497	6.4	8,700	7,797
August.....	257,110	16,664	6.5	8,700	7,964
September.....	256,107	16,954	6.6	9,000	7,954
October.....	256,270	16,839	6.6	9,000	7,839
November.....	255,591	17,233	6.7	9,134	8,098

the two social security funds continued to bear 1½ percent.

The public debt reached its peak in February 1946 when it amounted to \$279 billion. In March 1946, the Treasury started a debt retirement program, and by the end of November 1947 the gross public debt dropped to \$258 billion. A large proportion of the debt retired or maturing consisted of securities with high coupon rates of interest which were paid off or refunded into issues with lower rates. However, the rise in the rate on short term issues, the higher accrual rate on savings bonds purchased during the war, and the net rise in securities issued to Government trust funds with

relatively high interest earnings have caused the average interest rate on the debt as a whole to rise from month to month (table 5). On February 28, 1946, the computed average interest rate was 1.972 percent; by the end of July 1946 it was 2.008 percent, increasing gradually to 2.128 percent by the end of September 1947, and to 2.137 percent by the end of November.

Special obligations issued to the two social security trust funds from August 1946—September 1947 bore 2 percent interest; those issued during October and November 1947, 2½ percent. At the end of June 1947, all 1½-percent special obligations held by the two social security trust funds

matured, and the proceeds were used to acquire 2-percent special certificates of indebtedness, thus raising the average rate of interest earned by both funds (table 5). The effect was greater on the unemployment trust fund—with 83 percent of its holdings invested at the lower rate—than on the old-age and survivors insurance trust fund—with 44 percent at the lower rate.

At the end of November 1947, the two funds owned United States securities totaling \$17,233 million, of which \$14,661 million, or 85 percent, was in special obligations. The total amount of all types of special obligations outstanding was \$29.5 billion,

Table 7.—Contributions and taxes under selected social insurance and related programs, by specified period, 1945-47

[In thousands]

Period	Retirement, disability, and survivors insurance			Unemployment insurance		
	Federal insurance contributions <sup>1</sup>	Federal civil-service contributions <sup>2</sup>	Taxes on carriers and their employees	State unemployment contributions <sup>3</sup>	Federal unemployment taxes <sup>4</sup>	Rail-road unemployment insurance contributions
Fiscal year:						
1945-46	\$1,238,218	\$528,049	\$282,610	\$1,009,091	\$179,930	\$129,126
1946-47	1,459,492	481,448	390,057	1,001,504	184,823	141,756
5 months ended:						
November 1945	644,236	373,219	79,121	558,318	29,666	33,719
November 1946	701,146	328,237	92,271	498,287	24,926	37,313
November 1947	791,597	340,939	148,092	555,271	24,636	35,972
1946						
November	276,193	23,754	4,730	110,690	9,325	1,159
December	7,185	23,028	77,772	10,097	789	34,776
1947						
January	42,263	21,551	1,499	91,516	14,399	29
February	266,183	21,218	4,927	125,902	115,847	1,137
March	25,377	20,653	76,784	6,286	12,044	34,175
April	69,005	23,936	2,608	110,021	3,548	351
May	340,382	19,761	12,185	191,462	11,924	1,481
June	7,950	23,064	112,011	7,584	1,347	32,487
July	72,390	16,422	5,997	117,396	2,054	104
August	329,258	206,514	13,018	171,248	9,409	1,776
September	15,861	18,951	116,289	6,225	2,790	29,115
October	65,592	20,267	4,214	107,752	561	3,667
November	310,496	18,786	8,573	182,680	9,822	1,309

<sup>1</sup> Represents contributions of employees and employers in employments covered by old-age and survivors insurance.

<sup>2</sup> Represents employee and Government contributions to the civil-service, Canal Zone, and Alaska Railroad retirement and disability funds; in recent years Government contributions are made in 1 month for the entire fiscal year.

<sup>3</sup> Represents deposits in State clearing accounts of contributions plus penalties and interest collected from employers and, through April 1946, contributions from employees in 4 States; employee contributions beginning May 21, 1946, in California and beginning July 1, 1946, in Rhode Island, are deposited in the respective State sickness insurance funds. Data reported by State agencies; corrected to Dec. 15, 1947.

<sup>4</sup> Represents taxes paid by employers under the Federal Unemployment Tax Act.

<sup>5</sup> Represents August contributions of \$19.6 million from employees, and contributions for fiscal year 1947-48 of \$245.4 million from the Federal Government and \$1.5 million from the District of Columbia for certain District Government employees.

Source: *Daily Statement of the U. S. Treasury*, unless otherwise noted.

Table 8.—Federal appropriations and expenditures under Social Security Administration programs, by specified period, 1946-48

[In thousands]

Item	Fiscal year 1946-47		Fiscal year 1947-48	
	Appropriations	Expenditures through November 1946 <sup>2</sup>	Appropriations <sup>1</sup>	Expenditures through November 1947 <sup>2</sup>
Total	\$1,180,088	\$502,860	\$1,303,277	\$590,595
Administrative expenses	38,733	19,416	42,465	22,599
Federal Security Agency, Social Security Administration <sup>3</sup>	38,583	15,389	42,365	17,490
Department of Commerce, Bureau of the Census	180	56	100	39
Department of the Treasury <sup>4</sup>	( <sup>5</sup> )	3,971	( <sup>5</sup> )	5,069
Grants to States	715,773	314,787	715,612	367,007
Unemployment insurance administration	58,109	29,396	65,612	31,680
Old-age assistance	619,000	219,771	625,000	252,342
Aid to the blind		6,486		7,326
Aid to dependent children		46,986		64,186
Maternal and child health services	<sup>6</sup> 11,000	2,376	11,000	4,615
Services for crippled children	<sup>6</sup> 7,500	2,074	7,500	3,887
Child welfare services	<sup>6</sup> 3,500	864	3,500	1,813
Emergency maternity and infant care	16,664	6,844	3,000	1,459
Benefit payments, old-age and survivors insurance	<sup>7</sup> 425,582	<sup>7</sup> 168,656	<sup>8</sup> 543,000	<sup>7</sup> 200,988
Reconversion unemployment benefits for seamen			2,200	( <sup>9</sup> )

<sup>1</sup> Excludes unexpended balance of appropriations for preceding fiscal year.

<sup>2</sup> Includes expenditures from unexpended balance of appropriations for preceding fiscal year.

<sup>3</sup> Appropriations and expenditures for salaries and allotments, and expenditures for printing and binding, penalty mail, and traveling expenses.

<sup>4</sup> Amounts expended by the Treasury in administering title II of the Social Security Act and the Federal Insurance Contributions Act, reimbursed from old-age and survivors insurance trust fund to general fund of the Treasury.

<sup>5</sup> Not available because not separated from appropriations for other purposes.

<sup>6</sup> Maximum grants authorized by the Social Security Act Amendments of 1946; actual appropriations were \$12,705,000, \$8,467,500, and \$4,127,500.

<sup>7</sup> Actual payments from old-age and survivors insurance trust fund.

<sup>8</sup> Estimated expenditures as shown in 1947-48 budget.

<sup>9</sup> Not available.

Source: Federal appropriation acts and 1947-48 budget (appropriations);

*Daily Statement of the U. S. Treasury* and reports from administrative agencies

(expenditures).

Table 9.—Status of the old-age and survivors insurance trust fund, by specified period, 1937-47

(In thousands)

Period	Receipts		Expenditures		Assets			
	Transfers and appropriations to trust fund <sup>1</sup>	Interest received	Benefit payments	Administrative expenses	Net total of U. S. Government securities acquired <sup>2</sup>	Cash with disbursing officer at end of period	Credit of fund account at end of period	Total assets at end of period
Cumulative, January 1937-November 1947.....	\$10,511,304	\$849,050	\$1,730,566	\$249,884	\$9,134,378	\$163,344	\$82,556	\$9,380,278
Fiscal year:								
1945-46.....	1,238,218	147,766	320,510	37,427	1,002,453	49,167	43,527	7,641,428
1946-47.....	1,489,492	163,466	425,582	40,788	1,193,600	48,751	7,305	8,798,390
6 months ended:								
November 1945.....	644,236	9,341	118,971	13,103	258,000	42,582	288,020	7,134,883
November 1946.....	701,146	9,301	168,656	14,512	280,000	44,632	295,320	8,168,707
November 1947.....	792,297	9,306	200,988	18,726	392,043	163,344	82,556	9,380,278
1946								
November.....	276,193		33,529	3,268		44,652	295,320	8,168,707
December.....	7,185	11,238	33,587	3,741	250,000	51,845	10,222	8,149,801
1947								
January.....	42,263	33,665	34,164	4,019		52,393	56,420	8,187,547
February.....	266,183		35,574	3,905		51,597	283,920	8,414,252
March.....	25,377	9,242	37,138	3,927	240,000	48,306	40,766	8,407,806
April.....	69,005		38,817	3,767		46,880	68,612	8,434,226
May.....	340,382		38,651	3,327		53,322	360,574	8,732,630
June.....	8,325	100,020	38,995	3,590	423,600	48,751	7,305	8,798,390
July.....	72,590	64	39,514	3,854	-42,000	54,930	72,412	8,827,676
August.....	329,938		39,206	3,361	55,927	55,927	358,806	9,115,066
September.....	13,861	9,242	39,874	3,650	300,000	66,736	27,676	9,094,746
October.....	65,592		41,662	4,470		65,150	48,722	9,114,206
November.....	310,496		40,933	3,492	134,043	163,344	82,556	9,380,278

<sup>1</sup> Beginning July 1940, trust fund appropriations equal taxes collected under the Federal Insurance Contributions Act; the Second Deficiency Appropriation Act, 1947, made available an additional \$375,000 for salaries of the Bureau of Old-Age and Survivors Insurance, and the Labor-Federal Security Appropriation Act, 1948, appropriated from the general fund of the Treasury \$700,000 to meet

the additional administrative costs of benefits payable to survivors of certain World War II veterans as defined in title II of the Social Security Act Amendments of 1946.

<sup>2</sup> Includes accrued interest; minus figures represent net total of securities redeemed.

Source: Daily Statement of the U. S. Treasury.

Table 10.—Status of the unemployment trust fund, by specified period, 1936-47

(In thousands)

Period	Total assets at end of period	Net total of U. S. Government securities acquired <sup>1</sup>	Unexpended balance at end of period	State accounts				Railroad unemployment insurance account			
				Deposits	Interest credited	Withdrawals <sup>2</sup>	Balance at end of period	Deposits	Interest credited	Benefit payments	Balance at end of period <sup>3</sup>
Cumulative, January 1936-November 1947..	\$8,121,991	\$8,098,326	\$23,665	\$11,100,695	\$732,918	\$4,592,665	\$7,241,004	\$778,636	\$63,175	\$134,444	\$880,987
Fiscal year:											
1945-46.....	7,449,120	101,827	40,120	1,009,909	130,373	1,128,720	6,690,672	116,214	13,220	17,197	758,448
1946-47.....	7,869,044	443,000	17,044	1,005,273	131,419	817,817	7,009,547	127,576	16,469	61,657	859,498
6 months ended:											
November 1945.....	7,606,978	241,000	58,804	554,910	4,072	307,073	6,931,019	30,347	381	787	675,957
November 1946.....	7,591,949	155,000	27,949	452,788	3,620	338,180	6,808,880	33,581	396	18,770	783,069
November 1947.....	8,121,991	246,326	23,665	545,168	3,644	317,356	7,241,004	32,375	437	20,972	880,987
1946											
November.....	7,591,949	100,000	27,949	154,350		51,620	6,808,880	1,042		3,576	783,069
December.....	7,585,255		21,255	16,824	4,603	55,367	6,774,940	31,299	522	4,597	810,315
1947											
January.....	7,609,624	15,000	30,624	37,189	56,708	70,436	6,798,401	28	6,597	5,756	811,223
February.....	7,714,173	100,000	35,173	173,982		65,416	6,906,967	1,022		5,132	807,206
March.....	7,683,489	-25,000	29,489	14,964	3,449	74,950	6,850,429	30,738	401	5,342	833,060
April.....	7,650,124	-25,000	21,124	42,575	212	71,141	6,822,075	317	25	5,353	828,049
May.....	7,831,181	175,000	27,181	249,282		65,811	7,005,546	1,332		3,803	825,635
June.....	7,869,044	48,000	17,044	17,690	62,827	76,516	7,009,547	29,239	7,528	2,904	859,498
July.....	7,823,505	-55,000	26,505	38,070	22	91,897	6,956,742	94	3	2,481	866,784
August.....	7,993,421	167,000	29,421	243,149		71,187	7,128,704	1,623		3,670	864,717
September.....	7,971,852	-10,000	17,852	12,785	3,448	59,598	7,085,339	26,170	413	4,795	886,514
October.....	7,953,852	-15,000	14,852	37,897	174	53,708	7,069,702	3,301	21	5,685	884,150
November.....	8,121,991	159,326	23,665	212,208		40,966	7,241,004	1,178		4,341	880,987

<sup>1</sup> Includes accrued interest; minus figures represent net total of securities redeemed.

<sup>2</sup> Includes transfers from State accounts to railroad unemployment insurance account amounting to \$107,161,000.

<sup>3</sup> Includes transfers from railroad unemployment insurance administration fund amounting to \$66,514,000.

<sup>4</sup> Includes withdrawals of \$15,200,000 for disability insurance benefits.

Source: Daily Statement of the U. S. Treasury.



of which the two social security trust funds held 50 percent. Other trust funds held most of the remainder. Among them, the national service life insurance fund held 22 percent; the civil-service retirement and disability fund, 9 percent; and the Government life insurance fund, 4 percent.

In July 1947 the Federal policy of "pegging" the discount rate on Treasury bills was discontinued, and since then interest rates on Government short-term obligations have been steadily rising and bond yields have been increasing. The August offering of certificates by the Treasury had a maturity of 11 months, instead of the 12-month maturity of previous offerings, although the interest was the same,  $\frac{7}{8}$  percent; by November the offering was for 11-month maturity at 1 percent. Other Treasury issues in

recent months have followed the same pattern. Offerings of Government bonds in the market increased during October and November, forcing prices slowly down with a consequent rise in yields, from approximately 2.20 percent early in the year to about 2.40 percent at the end of November. The pressure on bond prices has been characterized by a tendency on the part of commercial banks to reduce their holdings of Government obligations, particularly the long-term maturities. As a result, the Federal Reserve banks and Federal trust funds have been acquiring Government securities in the open market in order to uphold Federal bond prices. Throughout 1946 and the first 10 months of 1947, all investment operations of both social security funds—whether acquisitions or redemp-

tions—were in special certificates of indebtedness. In November 1947 the old-age and survivors insurance trust fund acquired \$134 million of  $2\frac{1}{2}$  and  $2\frac{3}{4}$ -percent Treasury bonds purchased on the open market, and the unemployment trust fund invested \$159 million in United States securities, of which \$70 million was in  $2\frac{1}{8}$ -percent certificates of indebtedness maturing in June 1948 and \$89 million in  $2\frac{1}{2}$  and  $2\frac{3}{4}$ -percent bonds.

The securities held by the two trust funds at the end of November 1947 comprised 6.7 percent of the total interest-bearing debt of \$255.6 billion as compared with 6.1 percent at the end of December 1946. The increase in the proportion was due to the acquisition of \$2 billion in the investments of the funds and the reduction in the interest-bearing debt (table 6).

## Recent Publications in the Field of Social Security\*

### Social Security Administration

**BUREAU OF RESEARCH AND STATISTICS.** *Factors Influencing the Relative Number of Aged Beneficiaries Under Old-Age and Survivors Insurance and of Old-Age Assistance Recipients in the States.* Washington: The Bureau, July 1947. 7 pp. and tables. Processed.

This memorandum, prepared in cooperation with the Bureaus of Old-Age and Survivors Insurance and Public Assistance, gives information, by State, on the number of aged persons receiving payments under either old-age and survivors insurance or old-age assistance programs in June 1946. Discusses factors influencing the size of the assistance and beneficiary loads. Limited free distribution; apply to the Bureau of Research and Statistics, Social Security Administration, Washington 25, D. C.

\*The inclusion of prices of publications in this list is intended as a service to the reader, but any orders must be directed to publishers or booksellers and not to the Social Security Administration or the Federal Security Agency. Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

**CHILDREN'S BUREAU.** *Children Served by Public Welfare Agencies and Institutions, 1945.* Washington: U. S. Govt. Print. Off., 1947. 18 pp. (Statistical Series No. 3.) 10 cents.

Contains two statistical reports: (1) children receiving service in State and local public child welfare programs on December 31, 1945; and (2) children served by public institutions, December 31, 1945. Limited free distribution; apply to the Children's Bureau, Social Security Administration, Washington 25, D. C.

**CHILDREN'S BUREAU.** *Maternal and Infant Mortality in 1944.* Washington: U. S. Govt. Print. Off., 1947. 17 pp. (Statistical Series No. 1.) 10 cents.

Limited free distribution; apply to the Children's Bureau, Social Security Administration, Washington 25, D. C.

**Social Security Yearbook, 1946.** (Annual supplement, for the calendar year 1946, to the *Social Security Bulletin*.) U. S. Govt. Print. Off., 1948. 60 pp., including 72 tables. 25 cents. Issues for previous years are also on sale by the Superintendent of Documents, Government Printing Office, Washington 25, D. C., as follows: 1939, 50 cents; 1940 and 1941, 70 cents each; 1942, 50 cents; 1943, out of print; 1944, 50 cents; and 1945, 75 cents.

A basic reference source on data for the calendar year 1946 for the insurance and assistance programs under the Social Security Act, with information on expenditures and beneficiaries under other social security and related programs. Because of a budget cut, the size of this volume was drastically reduced, but the basic statistical series are maintained for all programs, and text discussion has been condensed but not eliminated.

**ZISMAN, JOSEPH.** *Fifty Employee-Benefit Plans in the Basic Steel Industry.* Washington: Bureau of Research and Statistics, Nov. 1947. 103 pp. Processed. (Bureau Memorandum No. 65.)

The first in a series "designed to compile information on employee-benefit plans in major industries." A summary of each of the plans included in the study is presented in an appendix. Limited free distribution; apply to the Bureau of Research and Statistics, Social Security Administration, Washington 25, D. C.

### General

**BOTELHO, MARCOS.** "O Regime de Previdência e Assistência aos Servidores do Estado." *Revista do Serviço Público*, Rio de Janeiro, 10th year, Vol. 2, July-Aug. 1947, pp. 57-80.

A review of the history and present services—both insurance and assistance—of the Brazilian provident institution for public employees which serves approximately 185,000 insured persons throughout the Republic. Illustrated.

EVANS, THOMAS L. "Social Security and Its Tax Potentialities." *The Monitor*, Buffalo, Vol. 34, Nov. 1947, pp. 1-4. \$1 a year.

Discusses the Social Security Administration's recommendations for an expanded social security program and estimates the increased cost of such a program.

GROVES, ERNEST R. and GLADYS H. *The Contemporary American Family*. New York: J. B. Lippincott Company, 1947. 838 pp.

A completely rewritten edition of the authors' earlier work, *The American Family*. Describes the growth and development of the American family, showing the significance of the family as a social institution. Discusses the social and psychological aspects of the present domestic manner of life.

HOFFMAN, PAUL G. *Testimony . . . on Government Policy to Prevent Depressions*. New York: Committee on Economic Development, 1947. 26 pp.

Mr. Hoffman's testimony, presented before the Joint Committee on the Economic Report, outlines a program aimed toward protecting our economy against "booms and busts."

KRUG, J. A. *National Resources and Foreign Aid*. Washington: U. S. Govt. Print. Off., Oct. 9, 1947. 97 pp. 60 cents.

The Secretary of the Interior analyzes the effects of a foreign aid program on our national resources, particularly on raw materials, manpower, and production facilities.

"Operaciones de la Caja de Seguro Obligatorio en los Años 1945 y 1946." *Previsión Social*, Santiago de Chile, Vol. 14, July-Sept. 1947, pp. 266-276.

A statistical review of Chile's largest social insurance organization.

PRESIDENT'S COMMITTEE ON FOREIGN AID. *European Recovery and American Aid*. Washington: U. S. Department of Commerce, Nov. 1947. 2 vols. Various paging. Processed.

The report of the Committee, of which W. Averell Harriman is chairman, on the limits within which the United States can safely and wisely extend aid to Western Europe.

PRESIDENT'S SCIENTIFIC RESEARCH BOARD. *Manpower for Research*. Washington: U. S. Govt. Print. Off., Oct. 11, 1947. 166 pp. (Vol. 4 of Science and Public Policy.) 35 cents.

"Deals with the shortage of scientists and scientist-teachers for the colleges and universities, the implications of that shortage on our progress, and

the steps that must be taken to relieve the shortage."

RUSSELL SAGE FOUNDATION. *Community Organization For Health and Welfare Services; A Selected Bibliography*. New York: The Foundation Library, June 1947. 8 pp. Processed.

Lists material published during 1946 and through June 1947.

### Maternal and Child Welfare

INTERNATIONAL LABOR OFFICE. *Labour Policy in General Including the Enforcement of Labour Measures*. New Delhi: The Office, 1947. 335 pp. (Preparatory Asiatic Regional Conference of the ILO, New Delhi, 1947. Report II.) \$1.75.

Discusses maternity and health protection for employed women and also protection for children and young persons who are employed.

RICKEY, KATHERINE. "Is Aid to Dependent Children Effective?" *Public Welfare*, Chicago, Vol. 5, Nov. 1947, pp. 249-252 f. 50 cents.

Evaluates the aid to dependent children program in the State of Washington.

### Retirement and Old Age

GLICK, E. "Swiss Social Security Program Begins in 1948." *Townsend National Weekly*, Cleveland, Vol. 13, Nov. 15, 1947, p. 4. 10 cents.

Outlines the benefits under the old-age insurance program which went into effect in January 1948. This program will be financed by a levy of 4 percent on income from employment of persons between the ages of 20 and 65 and also by a state subsidy.

"The New National Pension Scheme in Sweden." *Index*, Stockholm, No. 173, Sept. 1947, pp. 18-20.

"Pensions Proposals for the Older People." *The National Insurance Gazette*, London, Vol. 36, Oct. 30, 1947, pp. 509-511. 6d.

Shows how the National Insurance Act of 1946 will affect the various categories of pensioners in Great Britain.

STEWART, MAXWELL. "One Percent of Your Pay." '47, *The Magazine of the Year*, New York, Vol. 1, Aug. 1947, pp. 32-37.

Reviews the development of the social security program during the past 10 years and discusses various recommendations for improving it.

### Employment Security

COMMODITY RESEARCH BUREAU, INC. INDUSTRIAL RELATIONS INSTITUTE. *Railroad Employees' Benefits*. New York: The Bureau, 1947. 37 pp.

A handbook for railroad employees, setting forth their rights and benefits under the Railroad Retirement and Railroad Unemployment Insurance Acts.

CONTROLLERS INSTITUTE OF AMERICA. *Current Compensation Problems*. New York: The Institute, 1947. 42 pp. \$1.

Includes The Economics of the Guaranteed Annual Wage by Emerson Schmidt, and Job Evaluation and Classification by D. W. Weed.

FLANDERS, RALPH E. "Administering the Employment Act—The First Year." *Public Administration Review*, Chicago, Vol. 7, Autumn 1947, pp. 221-227. \$1.50.

GREAT BRITAIN. SCOTTISH OFFICE. *Industry and Employment in Scotland*. Edinburgh: H. M. Stat. Off., 1947. 101 pp. (Cmd. 7125.) 2s.

HAKE, W. O. "Should Federal Employment Security Activities Be Placed in the Labor Department?" *American Economic Security* (Chamber of Commerce of the U. S. A.), Washington, Vol. 4, Nov.-Dec. 1947, pp. 7-10. 15 cents.

Gives arguments for returning the United States Employment Service to the Federal Security Agency and against placing the Bureau of Employment Security in the Labor Department.

ILLINOIS MANUFACTURERS' ASSOCIATION. SPECIAL COMMITTEE. *Guaranteed Annual Wages*. Chicago: The Association. 7 pp.

Outlines five approaches to the problem of stabilizing production.

*Indberetning . . . om Arbejdsanvisningen og Arbejdsløshedsforsikringen m. m. i Regnskabsåret 1945-46 (fra 1. April 1945 til 31. Marts 1946)*. Copenhagen, 1947. 58 pp. (Supplement to *Socialt Tidsskrift*, Vol. 23, May-June 1947.)

Operations of Danish employment offices and unemployment insurance for the year ended March 31, 1946.

NOURSE, EDWIN G. "The Employment Act and the Act of Employment." *Dun's Review*, New York, Vol. 55, Nov. 1947, pp. 11-14 ff. 35 cents.

The Chairman of the Council of Economic Advisers to the President presents his views on the responsibilities the Employment Act places on labor and management.

SLICHTER, SUMNER H. *The Challenge of Industrial Relations; Trade Unions, Management, and the Public Interest*. Ithaca, N. Y.: Cornell University Press, 1947. 196 pp. \$2.50.

Six lectures presented at Cornell University. Describes in detail the rise and present status of the labor movement and suggests a more realistic approach to the study of trade-unions.

TRUE, JOHN M. *Incentive Wage Systems; a Selected, Annotated Bibliography*. Princeton, N. J.: Princeton University, Department of Economics and Social Institutions, Industrial Relations Section, Jan. 1947. 16 pp. (Bibliographical Series No. 79.) Processed.

U. S. DEPARTMENT OF LABOR. APPRENTICE-TRAINING SERVICE. *The National Apprenticeship Program*. Washington: U. S. Govt. Print. Off., 1947. 20 pp.

Explains the program in nontechnical language and lists the skilled occupations in which apprentice training is given.

U. S. WOMEN'S BUREAU. *Typical Women's Jobs in the Telephone Industry*. Washington: U. S. Govt. Print. Off., 1947. 52 pp. (Bulletin No. 207-A.) 15 cents.

U. S. WOMEN'S BUREAU. *Women Workers After VJ-Day in One Community, Bridgeport, Connecticut*. Washington: U. S. Govt. Print. Off., 1947. 37 pp. (Bulletin No. 216.) 15 cents.

Postwar changes affecting women workers in Bridgeport and recommendations for community action to promote the welfare of these women.

### Public Welfare and Relief

BALL, ROBERT M. "Social Insurance and the Right to Assistance." *Social Service Review*, Chicago, Vol. 21, Sept. 1947, pp. 331-344. \$1.50.

Compares public assistance and social insurance, concluding that where a choice is possible social insurance is to be preferred.

CLARKE, HELEN I. *Principles and Practice of Social Work*. New York: D. Appleton-Century Company, Inc., 1947. 450 pp.

Presents an over-all picture of the welfare field for prospective social workers. Part 1 deals with the various areas, processes, and functions of social work; part 2 describes community services and resources available to the social worker.

DUNN, LOULA. "Local Responsibility for Public Welfare." *Alabama Social Welfare*, Montgomery, Ala., Vol. 12, Nov. 1947, pp. 10-14.

Excerpts from an address by the State Commissioner of Public Welfare, in which she discusses ways of

improving conditions for the State's needy, including extension of old-age and survivors insurance coverage to agricultural workers, passage of the Federal Public Welfare Act of 1947, and increased appropriations for public welfare.

FLESCHE, REGINA. *Treatment Considerations in the Reassignment of Clients*. New York: Family Service Association of America, 1947. 82 pp. 85 cents.

A study dealing with the reassignment of clients from one case worker to another and the attendant problems.

NATIONAL SOCIAL WELFARE ASSEMBLY. COMMITTEE ON FIELD SERVICE CO-OPERATION. *Field Service Directory*. New York: The Assembly, May 1947. Various paging. \$1.

A directory of 39 national organizations affiliated with the National Social Welfare Assembly.

"The New Poor Law." *The Economist*, London, Vol. 153, Nov. 8, 1947, pp. 748-750. 1s.

An analysis of the National Assistance Bill, which provides for abolishing the present poor law and for establishing a National Assistance Board to administer the assistance program.

RUSSELL SAGE FOUNDATION. DEPARTMENT OF SOCIAL WORK. *International Social Work: Selected References, June-August 1947*. New York: American Association of Schools of Social Work, 1947(?). 5 pp. Processed.

STURDEE, E. L. "Care of the Aged and of the Chronic Sick in Great Britain." *Geriatrics*, Minneapolis, Vol. 2, Nov.-Dec. 1947, pp. 359-368. \$1.20.

### Health and Medical Care

ANDERSON, ODIN W. *Administration of Medical Care; Problems and Issues*. Ann Arbor, Mich.: University of Michigan, School of Public Health, 1947. 179 pp. (Bureau of Public Health Economics, Research Series No. 2.) \$1.50.

Describes, analyzes, and evaluates the medical-dental care program in the State of Washington for the recipients of old-age assistance during the period from 1941 to 1945 inclusive. Presents basic data as to the utilization and cost of all types of health services for public assistance recipients 65 years of age and over.

*Beretning fra Invalideforsikringsretten for Aaret 1946*. Copenhagen,

1947. 68 pp. (Supplement to *Socialt Tidsskrift*, Vol. 23, Sept.-Oct. 1947.)

A full review of Danish invalidity insurance in 1946, including the causes of invalidity and measures taken for restoring health. Most of the table captions are given in English as well as in Danish, and the report includes an 8-page summary of the system in English.

BRITISH INFORMATION SERVICES. *Health Services in Britain*. New York: The Services, Oct. 1947, 38 pp.

BRITISH INFORMATION SERVICES. *Rehabilitation in Great Britain*. New York: The Services, Oct. 1947. 18 pp.

A discussion of the development of Great Britain's rehabilitation program during the past 10 years, with an analysis of disabled persons registered as of May 19, 1947.

BUSTOS, JULIO; AGUIRRE, HONORIO; ROJAS, ALFREDO; and others. "La Protección de la Salud." *Previsión Social*, Santiago de Chile, July-Sept. 1947, Vol. 14, pp. 233-239.

A discussion of the principles of health protection through a modern social insurance program.

DENMARK. DIREKTØREN FOR SYGEKASSEVAESENET. *Beretning . . . samt om Bestyrelsen af Invalideforsikringsfonden i Aaret 1945*. Copenhagen, 1947. 83 pp. (Supplement to *Socialt Tidsskrift*, Vol. 23, Mar.-Apr. 1947.)

A detailed report of Danish health insurance, accompanied by a brief review of invalidity insurance.

HUNT, G. HALSEY, and GOLDSTEIN, MARCUS. "Medical Group Practice in the United States." *The New England Journal of Medicine*, Boston, Vol. 237, pp. 719-731. \$6 a year.

This article, the second of a series, reports the findings and purposes of a study of medical group practice made by the U. S. Public Health Service. This study covers five groups in the New England and Middle Atlantic States.

MARK, NORBERT. "The Importance of Medical Statistics in Social Insurance." *International Labour Review*, Geneva, Vol. 56, July 1947, pp. 21-38. 50 cents.

Describes the methods employed and the results obtained by the Medical Statistics Service in Paris, showing how medical statistics can be used in obtaining a solution of social security problems, especially in a health service.



NEW ZEALAND. DEPARTMENT OF HEALTH. *Annual Report of the Director-General of Health, 1946-1947*. Wellington: E. V. Paul, Govt. Printer, 1947. 47 pp.

PRESIDENT'S SCIENTIFIC RESEARCH BOARD. *The Nation's Medical Research*. Washington: U. S. Govt. Print. Off., Oct. 18, 1947. 118 pp. (Vol. 5 of Science and Public Policy.) 25 cents.

Reports on both Federal and non-Federal research programs and facilities. Recommends a large increase in the amount of funds to be used annually for medical research and also the creation of a Medical Research Committee to plan for national medical research on a long-range basis.

REED, LOUIS S. *Blue Cross and Medical Service Plans*. Washington: U. S. Public Health Service, Oct. 1947. 323 pp. Processed.

A report based on a study made by

the U. S. Public Health Service, showing the origin, development, and scope of the Blue Cross and other medical service plans. Includes charts and tables giving factual data and illustrating these programs. Limited free distribution; apply to the Division of Public Health Methods, U. S. Public Health Service, Washington 25, D. C.

RESEARCH COUNCIL FOR ECONOMIC SECURITY. *Toward Better Health; How Much Do We Need To Lengthen the Spokes in the Wheel of Health?* Chicago: The Council, 1947. 11 pp. (Council Publication No. 36.)

Discusses existing health facilities and their potential development.

ROEMER, MILTON I. "Opportunities for Public Health in Disability Insurance Programs." *Public Health Reports*, Washington, Vol. 62, Nov. 21, 1947, pp. 1657-1667. 10 cents.

Describes the Rhode Island and California disability programs, point-

ing out the advantages in having the State and local departments of health responsible for the review of disability certifications.

SIGERIST, HENRY E. "Our Debt to Soviet Medicine." *Soviet Russia Today*, New York, Vol. 16, Nov. 1947, pp. 22-23 f. 15 cents.

Describes the organization, development, and functions of health services in Russia.

TAFT, ROBERT A.; SHOULDER, H. H.; McGRATH, HOWARD J.; and DAVIS, MICHAEL. "What Should Congress Do About Health Insurance?" *The American Forum of the Air*, Washington, Vol. 9, June 3, 1947, 15 pp. 10 cents.

A debate on the necessity for health insurance, the advantages of voluntary vs. compulsory systems, and the provisions of the Taft health bill vs. those of the national health insurance bill.

(Continued from page 13)

corresponding discrimination between employment in commerce and manufacturing and employment in agriculture and domestic service. Moreover, it is likely that such a plan would have to exclude a substantial number of employees. It was for these reasons ruled out of consideration.

The plans developed [in the report] accord closely with the requirements of the existing social security program. They deal only with the tax-collection aspects of the problem. No attempt has been made to develop specific benefit provisions appropriate to the proposed tax plans. Since, however, the plans have been molded as nearly as possible to the present benefit structure and its qualifying provisions, the development of parallel benefit provisions should not present special difficulties.

It should be noted, also, that this

analysis of alternative approaches to extending coverage involves of necessity a large element of judgment. The advantages claimed for one approach as against another are to a large extent based upon tax-collection experience under different circumstances than those which will prevail when coverage is extended. We have had, for example, extensive experience with the taxation of low incomes. Nevertheless, if in conjunction with a tax on the self-employed with low incomes a program of benefits directly related to that tax were introduced, past experience would not necessarily provide a reliable gauge of the compliance to be expected. The payment of benefits introduces a new factor which may produce more favorable results than those obtained when no quid pro quo was associated with payment of the tax.

On the basis of the studies that have been made, it appears evident

that administrative considerations no longer constitute a barrier to expanded coverage. The administrative problems are difficult, as was the case when the existing program was initiated, but given a moderate period of experience and adequate appropriations for the administration of the enlarged area of coverage, they can be resolved. Moreover, tax-collection features and costs are but some of the factors to be considered. Other elements, such as equity among different groups and the possible reduction of public assistance costs which are borne out of general revenues, as well as public attitudes toward social security and other social considerations, also enter into the evaluation process. Whether the old-age and survivors insurance program is to afford protection to segments of the population now deprived of its benefits, is a question of public policy to be determined in the light of these considerations.







---

## FEDERAL SECURITY AGENCY

Washington, D. C.

### SOCIAL SECURITY ADMINISTRATION

ARTHUR J. ALTMAYER, *Commissioner*

WILLIAM L. MITCHELL, *Deputy Commissioner*

Bureau of Old-Age and Survivors Insurance

OSCAR C. POGGE, *Director*

Bureau of Public Assistance

JANE M. HOBY, *Director*

Bureau of Employment Security

R. G. WAGNET, *Director*

Children's Bureau

KATHARINE F. LENROOT, *Chief*

Bureau of Research and Statistics

I. S. FALK, *Director*

Bureau of Accounts and Audits

LEONARD J. WILBERT, *Director*

Informational Service

ROBERT HUSE, *Director*

Office of the Actuary

ROBERT J. MYERS, *Actuarial Consultants*

Office of Appeals Council

JOSEPH E. McELVAIN, *Chairman*

---

The SOCIAL SECURITY BULLETIN is published monthly under authority of Public Resolution No. 57, approved May 11, 1922 (42 Stat. 541), as amended by section 307, Public Act 212, Seventy-second Congress, approved June 30, 1932. This publication is approved by the Director of the Bureau of the Budget.

The BULLETIN is prepared in the Periodic Publications Section, under the supervision of Jessica H. Barr, Chief of the Division of Publications and Review. It reports current data on operations of the Social Security Administration and the results of research and analysis pertinent to the social security program, and is issued primarily for distribution to agencies directly concerned with the administration of the Social Security Act. Statements in articles do not necessarily reflect final conclusions or official policies of the Social Security Administration. Any part of this publication may be reproduced with appropriate credit to the BULLETIN.

The BULLETIN is for sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C., to whom all purchase orders, with accompanying remittance, should be sent. Beginning with the June 1947 issue, the annual subscription is \$2.00 in the United States, Canada, and Mexico and \$2.75 in all other countries; price of single copy, 20 cents.

Issues of the SOCIAL SECURITY YEARBOOK, an annual calendar-year supplement to the BULLETIN, are sold separately by the Superintendent of Documents as follows: 1939, 50 cents; 1940 and 1941, 70 cents each; 1942, 50 cents; 1943, out of print; 1944, 50 cents; 1945, 75 cents; and 1946, 25 cents.

---

---

## Selected Reprints From *The Child*

Published by the Children's Bureau

The following articles from *The Child* have been reprinted and are available in limited quantities. Requests should be addressed to the Children's Bureau, Social Security Administration, Washington 25, D. C.

- |  |   |
|--|---|
| <i>A Better Chance for Negro Children in Houston</i> , by Marjorie Wilson                            | <i>Mental Hygiene in the Child-Health Conference</i> , by Martha W. MacDonald, M. D.                          |
| <i>Better Teeth and Healthier Children</i> , by John T. Fulton, D. D. S.                             | <i>Rural Schools Challenge Public Health</i> , by Jessie M. Bierman, M. D.                                    |
| <i>Children of Divorce</i> , by William D. Cochran   | <i>Social Worker Plays Part in Court Process</i> , by Warrington Stokes                                       |
| <i>Coordinating Mental-Hygiene Work for Children</i>   | <i>Southwest Looks at Pediatric Nursing</i>   |
| <i>Emotional Aspects of Convalescence</i> , by Milton J. E. Senn, M. D.                              | <i>State Action for Children</i>  |
| <i>Exploring the Problems of the Cerebral-Palsied Child</i> (Report on conference March 26-28, 1947) | <i>State Plans for Maternal and Child-Health Services Show Expected Variations</i> , by Clara E. Hayes, M. D. |
| <i>A First Protection for the Child Born Out of Wedlock</i> , by Helen C. Huffman                    | <i>Study and Treatment Homes for Troubled Children</i> , by Martin Gula                                       |
| <i>A Foster Child Needs His Own Parents</i> , by Almeda R. Holowicz                                  | <i>Take Stock of Child-Welfare Services</i> , by Mildred Arnold   |
| <i>Helping the Hard-of-Hearing Child</i> , by Arthur J. Lesser, M. D.                                | <i>Ten Years of Progress in Reducing Maternal and Infant Mortality</i> , by Marjorie Gooch                    |
| <i>Homemaker Service Helps To Preserve Family Life</i> , by Frances Preston and Rika MacLennan       | <i>What the Birth Record Means for a Child</i> , by Helen C. Huffman  |
| <i>Homes for Unmarried Mothers Develop Leisure-Time Programs</i>                                     | <i>What Rheumatic Fever May Mean to a Child</i> , by Ethel Cohen  |
| <i>Medical-Social Worker Helps Blind Babies To Get Good Start</i> , by Ruth M. Butler                | <i>When a Child Has Cerebral Palsy</i> , by Winthrop M. Phelps, M. D.   |
| <i>Mental-Health Services in the Health-Department Program</i> , by Kent A. Zimmerman, M. D.         | <i>When a School Child Is in Trouble</i> , by Alma Laabs  |
-



